

REDEVELOPMENT AGENCY OF FARMINGTON NOTICE & AGENDA

NOTICE IS HEREBY GIVEN that a meeting of the Governing Board of the Redevelopment Agency of Farmington City, Davis County, Utah, will be held at the second floor of Farmington City Hall & electronically over Zoom for the public, 160 South Main Street Farmington, Utah, on Tuesday, **January 18th, 2022, at 8:00 pm.**

Farmington City Redevelopment Agency meetings, including this meeting, are open to the public. In consideration of the COVID-19 pandemic, members of the public wishing to attend this meeting are encouraged to listen to the meeting on line. The link to listen to the meeting live can be found on the Farmington City website at www.farmington.utah.gov

The agenda shall be as follows:

8:00 Roll Call

8:05 Ratify the Approvals of the Resolutions Entering into Interlocal Agreements with all the Taxing Entities that pertain to North Station CRA3

Motion to adjourn and reconvene the City Council meeting.

DATED this 13th day of January 2022.

REDEVELOPMENT AGENCY

By: 
DeAnn Carlile, City Recorder

***PLEASE NOTE:** Times listed for each agenda item are estimates only and should not be construed to be binding on the RDA Agency.

In compliance with the Americans with Disabilities Act, individuals needing special accommodations due to a disability, please contact DeAnn Carlile, City Recorder at 801-939-9206, at least 24 hours in advance of the meeting.

I hereby certify that I posted a copy of the foregoing Notice and Agenda and emailed copies to media representatives on January 13, 2022.

RDA AGENDA

For Council Meeting:
January 18, 2022

S U B J E C T: Roll Call

RDA AGENDA

For Council Meeting:
January 18, 2022

SUBJECT: Resolution Entering into Interlocal Agreements with all the taxing entities that pertain to North Station CRA 3

ACTION TO BE CONSIDERED:

1. Move that the Redevelopment Agency adopt the resolution with the taxing entities that pertain to North Station CRA 3 adopting the respective interlocal agreements with each participating taxing entity.

GENERAL INFORMATION:

See enclosed staff report prepared by Brigham Mellow, Assistant City Manager/Economic Development Director.



FARMINGTON CITY

H. JAMES TALBOT
MAYOR

BRETT ANDERSON
DOUG ANDERSON
ALEX LEEMAN
CORY RITZ
REBECCA WAYMENT
CITY COUNCIL

SHANE PACE
CITY MANAGER

RDA Staff Report

To: Honorable Mayor and City Council

From: Brigham Mellor, Economic Development Director

Date: January 18, 2022

SUBJECT: **Resolutions entering into interlocal agreements with all the taxing entities that pertain to North Station CRA 3**

RECOMMENDATION

Move that the Redevelopment Agency adopt the resolution with the taxing entities that pertain to North Station CRA 3 adopting the respective interlocal agreements with each participating taxing entity.

Each tax entity approved their side of the resolutions and interlocal agreements on the following dates:

Davis County/Davis County Library -	<u>July 22nd, 2021</u>
Central Davis Sewer District -	<u>January 13th, 2022</u>
Davis School District -	<u>August 3rd, 2021</u>
Mosquito Abatement District – Davis -	<u>February 3rd, 2022</u>
Weber Basin Water District -	<u>September 30th, 2021</u>
Farmington City -	<u>January 18th, 2022</u>

BACKGROUND

17C-5-103 of Utah State Code outlines the process for initiating a community reinvestment project area plan.

Respectfully Submitted

Brigham Mellor
Economic Development Director

Concur

Shane Pace
City Manager

RESOLUTION _____

A RESOLUTION GRANTING CONSENT TO THE FARMINGTON CITY REDEVELOPMENT AGENCY TO RECEIVE TAX INCREMENT FOR THE FARMINGTON NORTH STATION COMMUNITY REINVESTMENT AREA 3 AND AUTHORIZING THE EXECUTION OF ALL INTERLOCAL AGREEMENTS FOR THAT DEVELOPMENT AREA

WHEREAS, pursuant to the provisions of the Title 17C, Chapter 5, Part 2, Section 204 of the Utah Community Reinvestment and Renewal Agencies Act (the “**Act**”), All taxing entities in which levy a tax in the CRA3 project area desire to provide consent to the Farmington City Redevelopment Agency (the “**Agency**”), for the Agency’s receipt of certain tax increment for the purpose of providing funds to carry out the proposed Farmington North Station Community Reinvestment Project Area 3 (the “**Project Area Plan**,”) which is attached to this Resolution as Exhibit A; and

WHEREAS, the proposed Project Area Plan has been reviewed by all entities and it is deemed to be in the best interest of those partnering taxing entities to provide consent to the Agency’s receiving tax increment for property included within the Project Area Plan, pursuant to Section 17C-5-204(1)(a) of the Utah Code, in accordance with the proposed Project Area Plan; and

WHEREAS, the Agency will provide, prior to the use of any increment revenues collected under this resolution, a written certification, signed by an attorney licensed to practice law in the state of Utah, stating that the Agency and partnering entities have each followed all legal requirements relating to the adoption of the Resolution, pursuant to Section 17C-5-204(5) of the Utah Code; and

WHEREAS, the requirements for the content for a Resolution, as provided in Section 17C-5-204(6) of the Utah Code, have been met; and

WHEREAS, Farmington city and Farmington City RDA are authorized, pursuant to Title 11, Chapter 13 of the Utah Code, to enter into interlocal agreements for mutually beneficial purposes.

NOW, THEREFORE, BE IT RESOLVED BY THE RDA AS FOLLOWS:

1. All partying entities provide consent to the Farmington City Redevelopment Agency to receive Farmington city’s tax increment, as to identified in the Project Area Plan (Exhibit A), which is incorporated herein by this reference, with the following general provisions:
 - a. Base Year: **2021**
 - b. Base Taxes collected in project area: \$83/year
 - c. Anticipated effective date: 2027 - No later than December 31, 2027
 - d. Number of tax years agency will be paid taxing entity’s increment: **20 years**
 - e. Percentage of taxing entity’s tax increment to be paid to Agency: **70%**

- f. Maximum cumulative dollar amount of taxing entity's increment: **\$ 24,000,000**
from the total mill levy
2. The Recitals above are hereby incorporated herein by this reference.
3. The Commission authorizes the execution of the Interlocal Agreement between the Farmington City Redevelopment Agency and the following taxing entities:
 1. Davis County/Library
 2. Davis School District
 3. Farmington City
 4. Weber Basin Water Conservancy District
 5. Mosquito Abatement District – Davis
 6. Central Davis Sewer District
4. This Resolution is effective upon publication.

DATED this ____ day of _____, 2022.

FARMINGTON CITY

Brett Anderson, RDA Chair

Attest:

DeAnn Carlile, Secretary

EXHIBIT A

**Interlocal Agreements between Farmington City Redevelopment Agency and all taxing entities and
Farmington North Station Community Reinvestment Project Area 3 Plan**



Redevelopment Agency of Farmington City

Farmington North Station #3 Community Reinvestment Project Area Plan

May 29, 2021



**NORTH FARMINGTON
STATION**



*“Economic
Development
provides the
basis that
allows every
American an
unfettered
chance in the
race of life...”*

- Abraham Lincoln





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FARMINGTON CITY NORTH STATION 3 CRA PROJECT AREA PLAN

The Agency, following thorough consideration of the needs and desires of the City and its residents, as well as the need and capacity for new development, has carefully crafted this Farmington City Community Redevelopment Project Area Plan ("Plan") for the Farmington North Station Community Reinvestment Project Area ("Project Area").

In accordance with the terms of this Plan, the Agency will encourage, promote and provide the development with a mix of uses. The North Station CRA 3 will include approximately 65 acres.

In addition, this Plan will govern the development and maintenance of publicly-owned infrastructure needed to support the development proposed herein. It is the purpose of this Plan to clearly set forth the aims and objectives of this development, its scope, its mechanism, and its value to the residents, businesses and property owners of the City.

The Project is undertaken as a community development project pursuant to the provisions of the Act.

1. RECITALS OF PRECONDITIONS FOR DESIGNATING A COMMUNITY DEVELOPMENT PROJECT AREA

- a) Pursuant to the provisions of §17C-5-103 et seq. of the Limited Purpose Local Government Entities Community Development and Renewal Agencies Act, the governing body of the Redevelopment Agency of Farmington City authorized the preparation of a draft community development project area plan November 17, 2020; and
- b) Pursuant to the provisions of §17C-5-104(1)(a) and (b) of the Act, the City has a planning commission and general plan as required by law; and
- c) Pursuant to the provisions of §17C-5-103 (1)(a) of the Act, on the Agency's own motion, the Agency selected the Project Area hereinafter described comprising all or part of the proposed survey area; and
- d) Pursuant to the provisions of §17C-5-104(3)(e) of the Act, the Agency has conducted one or more public hearings for the purpose of informing the public about the proposed Project Area, allowing public comment on the draft Project Area Plan and whether the Plan should be revised, approved or rejected; and
- e) Pursuant to the provisions of §17C-5-104(3)(b) and (c) of the Act, the Agency made a draft Project Area Plan available to the public at the Agency's offices during normal business hours, provided notice of the Plan hearing and will hold a public hearing on the draft Plan on July 4th, 2021.



2. DEFINITIONS

As used in this Community Reinvestment Project Area Plan:

1. The term "Act" shall mean and include the Limited Purpose Local Government Entities – Community Reinvestment and Renewal Agencies Act in Title 17C, Chapters 1 through 5, Utah Code Annotated 1953, as amended, or such other amendments as shall from time to time be enacted or any successor or replacement law or act.
2. The term "Agency" shall mean the Redevelopment Agency of Farmington City, a separate body corporate and politic.
3. The term "base taxable value" shall mean the base taxable value of the property within the Project Area from which tax increment will be collected, as shown upon the assessment roll last equalized, before: (A) the date the Project Area Plan is adopted by the City legislative body; and (B) the date the Agency adopts the first Project Area Budget.
4. The term "City" shall mean Farmington City, Utah.
5. The term "community" shall mean the community of Farmington City, Utah.
6. The term "community development" shall mean development activities within the community, including the encouragement, promotion, or provision of development.
7. The term "developer" shall mean the entities investing in the development in the area.
8. The term "Plan Hearing" means the public hearing on the draft Project Area Plan required under Subsection 17C-5-104 (3)(C) of the Act.
9. The term "planning commission" shall mean the planning commission of the City.
10. The term "Project Area" or "Farmington North Station Community Reinvestment Project Area" shall mean the geographic area described in this Project Area Plan or Draft Project Area Plan where the community development set forth in this Project Area Plan or Draft Project Area Plan takes place or is proposed to take place.
11. The term "Project Area Budget" shall mean a budget setting forth:
 - a. the anticipated costs, including administrative costs, of implementing the Farmington North Station Community Reinvestment Project Area Plan; and
 - b. the tax increment, sales tax, and other revenue the Agency anticipates to fund the project.
12. The term "Project Area Map" is the area depicted in Appendix A.
13. The term "Project Area Plan" or "Plan" shall mean a project area plan adopted pursuant to the Act to guide and control community development activity within the Project Area.



14. The term "Farmington North Station Community Reinvestment Project Area 3 Plan" or "Plan" shall mean a project area plan and project area map adopted pursuant to the Act to guide and control community development activities within a project area.
15. The terms "tax," "taxes," "property tax" or "property taxes" include privilege tax and each levy on an *ad valorem* basis on tangible or intangible personal or real property.
16. The term "taxing entity" shall mean a public entity that levies a tax on property within the Project Area.
17. The term "Tax Increment" shall mean the difference between the amount of property tax revenues generated each tax year by all Taxing Entities from the area designated in the Project Area Plan from which Tax Increment is to be collected, using the current assessed value of the property and the amount of property tax revenues that would be or were generated from that same area using the Base Taxable Value of the property.
18. All other terms shall have the same meaning set forth in the Act unless the context clearly indicates otherwise.

3. PROJECT AREA BOUNDARIES [17C-5-108 (1)]

The Project Area consists of approximately 64 acres located along Park Lane east from the D&RG Rail Trail the west side of Station Park. The Project Area includes the properties lying within the boundaries as depicted on the Project Area map which is included in Appendix A. The boundaries are given in detail in Appendix B as part of the legal description of the property.

4. General Statement of Land Uses, Layout of Principal Streets, Population Densities, Building Intensities and How They Will be affected by the Community Development [17C-5-105 (2)]

A. LAND USES IN THE PROJECT AREA

The permitted land uses within the Project Area shall be those uses permitted by the officially adopted zoning ordinances of the City, as those ordinances may be amended from time to time, subject to limitations imposed by "overlay" restrictions and the controls and guidelines of this Plan.

Land uses will be affected as vacant land is developed in accordance with this Plan. This will change existing vacant land and existing homes to commercial mixed-use.

Several land uses surround the Project Area, including residential primarily to the north and west, commercial mixed-use to the east, and primarily vacant agricultural land with the project area and to the north (CRA1 and CRA 2).



B. LAYOUT OF PRINCIPAL STREETS IN THE PROJECT AREA

Principal streets in the Project Area include Commerce Drive and Maker Way extensions yet to be built and the existing Park Lane/Clark Lane.

C. POPULATION DENSITIES IN THE PROJECT AREA

There are four residential structures (farm houses) in the project area. But we anticipate around 500 units to be constructed per the small area master plan.

D. BUILDING INTENSITIES IN THE PROJECT AREA

There are a few existing homes in the project area. We anticipate there to be around 1,017,488 sq feet of commercially assessed structures within 10 years.

5. STANDARDS THAT WILL GUIDE THE COMMUNITY DEVELOPMENT [17C-5-105(3)]

A. GENERAL DESIGN OBJECTIVES

Development within the Project Area will be held to high quality design and construction standards and will be subject to: (1) appropriate elements of the City's General Plan/North Station Small Area Master Plan; (2) applicable City building codes and ordinances; (3) Planning Commission review and recommendation; and (4) the City's land use code.

Owners and developers will be allowed flexibility in the development of land located within the Project Area and are expected to obtain quality design and development per the General Mixed Use (GMU) ordinance AND the Residential Mixed Use (RMU). The development contemplated herein shall be of a design and shall use materials that are in harmony with adjoining areas and subject to design review and approval by the City. It is contemplated that these design objectives will be addressed in development agreements with the developers specifically addressing these points.

Coordinated and attractive landscaping shall also be provided as appropriate for the character of the Project Area. Materials and design paving, retaining walls, fences, curbs, benches, and other items shall have an attractive appearance, be easily maintained, and indicative of their purpose.

Parking areas shall be designed with careful regard to orderly arrangement, topography, relationship to view, ease of access, and as an integral part of the overall site design.

All development will be accompanied by site plans, development data, and other appropriate material clearly describing the development, including land coverage, setbacks, heights, and any other data required by the City's land use code, the applicable zoning designations, or as requested by the City or the Agency.

The general standards that will guide the community development are as follows:

1. Encourage and assist community development with the creation of well-planned, vibrant mixed-use development, including a commercial office district for the City.
2. Provide for the strengthening of the tax base and economic health of the entire community and the State of Utah.



3. Implement the tax increment financing provisions of the Act, which are incorporated herein by reference and made a part of this Plan.
4. Encourage economic use of and new construction upon the real property located within the Project Area.
5. Promote and market the Project Area for community development that would be complementary to existing businesses that would enhance the economic base of the City through diversification.
6. Provide for compatible relationships among land uses and quality standards for development, such that the area functions as a unified and viable center of community activity for the City.
7. Remove any impediments to land disposition and development through assembly of land into reasonably sized and shaped parcels served by adequate public utilities and infrastructure improvements.
8. Achieve an environment that reflects an appropriate level of concern for architectural, landscape and design principles, developed through encouragement, guidance, appropriate controls, and financial and professional assistance to owner participants and developers.
9. Provide for construction of public streets, utilities, curbs and sidewalks, other public rights-of-way, street lights, landscaped areas, public parking, water utilities, sewer utilities, storm drainage, open space, and other public improvements.
10. Provide public streets and road access to the area to facilitate better traffic circulation and reduce traffic hazards by assisting in the street alignments.

B. SPECIFIC DESIGN OBJECTIVES AND CONTROLS

In addition to the general City design objectives and standards described above, it is contemplated that the following guidelines will be approved.

1. BUILDING DESIGN OBJECTIVES

All new buildings shall be of design and materials that will be in harmony with adjoining areas and other new development.

The design of buildings shall take advantage of available views and topography and shall provide, where appropriate, separate levels of access.

2. OPEN SPACE PEDESTRIAN WALKS AND INTERIOR DRIVE DESIGN OBJECTIVES

All open spaces, pedestrian walks and interior drives shall be designed as an integral part of an overall site design, properly related to other buildings.

Comfortably graded pedestrian walks should be provided along the lines of the most intense use, particularly from building entrances to parking areas, and adjacent buildings on the same site.

The location and design of pedestrian walks should afford adequate safety and separation from



vehicular traffic.

Materials and design of paving, retaining walls, fences, curbs, and other accouterments, shall be of good appearance, easily maintained, and indicative of their purpose.

3. PARKING DESIGN OBJECTIVES

Parking areas shall be designed with regard to orderly arrangement, topography, ease of access, and as an integral part of overall site design.

It is desirable that parking areas be relatively level, or that parking structures be constructed thus maximizing the development potential

4. PROJECT IMPROVEMENT DESIGN OBJECTIVES

- All streets and walkways within public rights-of-way will be designed or approved by the City and will be consistent with all design objectives.
- Lighting standards and signs of pleasant appearance and modern illumination standards shall be provided as necessary as approved by the City.
- The applicable portions of the Project Area will be graded in conformance with the final project design determined by the Agency and the City for each specific project.

C. TECHNIQUES TO ACHIEVE THE COMMUNITY REINVESTMENT PLAN OBJECTIVES

Activities contemplated in carrying out the Plan in the Project Area may include the acquisition and development of properties in the Project Area.

Parcels of real property located in the Project Area may be acquired by purchase, but shall not be acquired by condemnation.

D. PROPERTY ACQUISITION, DISPOSITION AND DEVELOPMENT

The objectives of this Plan are to be accomplished by various means including but not limited to the following:

1. ACQUISITION OF REAL PROPERTY

The Agency may acquire, but is not required to acquire, real property located in the Project Area. The Agency may acquire property by negotiation, gift, devise, exchange, purchase, or other lawful method, but not by eminent domain (condemnation). The Agency is authorized to acquire any other interest in real property less than fee title such as leasehold interests, easements, rights of way, etc. by negotiation, gift, devise, exchange, purchase or other lawful method, but not by eminent domain (condemnation).

2. COOPERATION WITH THE COMMUNITY AND PUBLIC ENTITIES

The community and certain public entities are authorized by state law, with or without consideration, to assist and cooperate in the planning, undertaking, construction, or operation of projects within this Project Area. The Agency may seek the aid and cooperation of such public entities in order to accomplish the purposes of community development and the highest public good.



The Agency, by law, is not authorized to acquire real property owned by a public entity without the consent of the public entity. The Agency, however, will seek the cooperation of all public entities that own or intend to acquire property in the Project Area. To the extent allowed by law, the Agency shall impose on all public entities owning real property in the Project Area the planning and design controls contained in this Plan to the end that uses and any future development by public entities will conform to the requirements of this Plan.

3. PROPERTY MANAGEMENT

During such time that property, if any, in the Project Area is owned by the Agency, such property shall be under the management and control of the Agency. Such property may be rented or leased by the Agency pending its disposition for community development.

4. PROPERTY DISPOSITION AND DEVELOPMENT

The Agency is also authorized, by lawful means, to provide for and promote the community development of the Project Area as described below.

There is currently one building in the Project Area (Utah First Credit Union) and it is unlikely that there will ever be a need to demolish and clear buildings or structures in the Area, the Agency is authorized to demolish and clear buildings, structures, and other improvements from any real property in the Project Area, should such a need occur, to carry out the purposes of this Plan. The Agency is authorized to install and construct or to cause to be installed and constructed the public improvements, public facilities, and public utilities, within the Project Area, not prohibited by law which are necessary or desirable to carry out this Plan, as well as publicly-owned improvements and infrastructure outside the Project Area that are of benefit to the Project Area. The Agency is authorized to prepare or cause to be prepared as building sites any real property in the Project Area. The Agency is also authorized to rehabilitate or to cause to be rehabilitated any building or structure in the Project Area should such a need occur in the future. The Agency is also authorized to advise, encourage, and assist in the rehabilitation of property in the Project Area not owned by the Agency should such a need occur in the future.

For the purposes of this Plan, the Agency is authorized to sell, lease, exchange, subdivide, transfer, assign, pledge, encumber by mortgage or deed of trust, or otherwise dispose of any interest in real property. The Agency is authorized to dispose of real property by leases or sales by negotiation with or without public bidding. All real property acquired by the Agency in the Project Area shall be sold or leased to public or private persons or entities for development for the uses permitted in this Plan. Real property may be conveyed by the Agency to the City or any other public entity without charge. The Agency shall reserve such controls in the disposition and development documents as may be necessary to prevent transfer, retention, or use of property for speculative purposes and to insure that development is carried out pursuant to this Plan. All purchasers or lessees of property from the Agency shall be made obligated to use the property for the purposes designated in this Plan, to begin and complete development of the property within a period of time which the Agency fixes as reasonable, and to comply with other conditions which the Agency deems necessary to carry out the purposes of this Plan.

To the maximum possible extent, the objectives of this Plan are to be accomplished through Agency encouragement of, and assistance to, private enterprise in carrying out development activities. To provide adequate safeguards to ensure that the provisions of this Plan will be carried out, all real property sold, leased, or conveyed by the Agency, as well as all property subject to participation agreements, shall be made subject to the provisions of this Plan by leases, deeds, contracts, agreements, declarations of restrictions, provisions of the City ordinances, conditional



use permits, or other means. Where appropriate, as determined by the Agency, such documents or portions thereof shall be recorded in the Office of the County Recorder. The leases, deeds, contracts, agreements, and declarations of restrictions may contain restrictions, covenants, covenants running with the land, rights of reverter, conditions subsequent, equitable servitudes, or any other provision necessary or desirable to carry out this Plan.

To the extent now or hereafter permitted by law, the Agency is authorized to pay for, develop, or construct any building, facility, structure, or other improvement either within or outside the Project Area for itself or for any public entity to the extent that such improvement would be of benefit to the Project Area. During the period of development in the Project Area, the Agency shall require that the provisions of this Plan and of other documents formulated pursuant to this Plan are being observed, and that development in the Project Area is proceeding in accordance with development documents and time schedules. Plans for development by owners or developers shall be submitted to the Agency for review and approval. All community development must conform to this Plan and all applicable federal, state, and local laws.

For the purpose of this Plan, the Agency is authorized to sell, lease, exchange, transfer, assign, pledge, encumber, and otherwise dispose of personal property.

E. APPROVALS

The City shall approve the design of all development within the Project Area to ensure that development therein is consistent with this Plan. With a recommendation from the Farmington Planning Commission and accompanying public hearings as required by state law.

6. HOW THE PURPOSES OF THIS TITLE WILL BE ATTAINED BY THE COMMUNITY DEVELOPMENT [17C-5-105(4)]

It is the intent of the Agency, with the assistance and participation of private owners, to facilitate new development within the Project Area that includes this objective: the creation of a City Center and an employment center. There has been no activity in the area since the North Station study master plan was completed and adopted by the City Council and Planning Commission (2016), public assistance is necessary in order to encourage economic development. Further, the Project will strengthen the tax base of all applicable taxing entities, will accomplish community development objectives and create a well-planned community reinvestment area. The purposes of the Act will be obtained as a result of the proposed community development project by accomplishing the following items:

A. ESTABLISHMENT OF NEW BUSINESS

The project includes significant commercial development which will benefit the State, City and other taxing entities through increased job creation, increased sales tax base, increased property tax base, and increased income taxes paid.

B. PUBLIC INFRASTRUCTURE IMPROVEMENTS

The construction of the public infrastructure improvements as provided by this Plan will support the development contemplated herein and provide for future development in surrounding areas. Infrastructure is an important element of economic development and areas that lack good infrastructure are not able to be competitive in attracting good-quality businesses to locate in their community.



Specifically, this Plan contemplates water reconstruction, storm water reconstruction, street improvements, increased signage and landscaping, establishment of a revolving loan fund for façade renovations and potential economic incentives to attract a major tenant pursuant to §17C-1-409 which dictates the allowable uses of agency funds. Further, there are extraordinary costs of development associated with some of the properties in the Project Area, due to the potential cost of demolishing old buildings. Thus, the components of the Project provided in this Plan will encourage, promote and provide for community development within the Project Area and the City generally for years to come.

7. THE PLAN IS CONSISTENT WITH AND WILL CONFORM TO THE COMMUNITY'S GENERAL PLAN AND MORE DETAILED NORTH STATION SMALL AREA MASTER PLAN [17C-5-105(5)]

This Plan is consistent with the City's General Plan 2011, the North Station Small Area Master Plan approved June 07, 2016, and the 2021 Transportation Regulating Plan.

The North Station Small Area Master Plan specifically states:

"For many years the City has planned for a Business Park in the area north of Station Park. At the recent strategic planning session held with the City Council, planning for this project was set as a high priority for the City. We are currently calling this the "North Station" project area... Multiple property owners exist in this project area. [The land owners have] been working with the City on a land use analysis and market study that addresses anticipated absorption rates for office, retail and multifamily uses."

8. DESCRIPTION OF ANY SPECIFIC PROJECT OR PROJECTS THAT ARE THE OBJECT OF THE PROPOSED COMMUNITY DEVELOPMENT [17C-5-105(7)]

The proposed community development project will include a mix of retail, office and residential uses. It is anticipated that approximately 1,088,000 additional square feet total (residential, office, and retail space) will be built in the area. The City would like to attract a major office marquee tenant in order to provide greater economic stability and reduce the current office turnover rates in the area.

Specific projects also include reconstruction and upgrading of public infrastructure improvements, in order to serve the new development anticipated for the area. Other projects may include the establishment of a Revolving Loan Fund for façade improvements, costly wetland mitigation and excavation of farmland where a private developer is involved pursuant to §17C-1-409 which dictates the allowable uses of agency funds. Again, no eminent domain is included as part of this Project Area Plan and demolition of properties would only occur through the voluntary participation of a property owner.



9. HOW PRIVATE DEVELOPERS WILL BE SELECTED AND IDENTIFICATION OF CURRENT DEVELOPERS IN THE COMMUNITY DEVELOPMENT PROJECT AREA [17C-5-105(8)]

A. SELECTION OF PRIVATE DEVELOPERS

There are 3 separate property owners among 8 parcels of varying size in the CRA. The lions share of the land is held by “development” companies or private land trusts. The Agency contemplates that owners of real property within the Project Area will take advantage of the opportunity to develop their property, or sell their property to developers for the development of facilities within the Project Area. In the event that owners do not wish to participate in the community development in compliance with the Plan, or in a manner acceptable to the Agency, or are unable or unwilling to appropriately participate, the Agency reserves the right pursuant to the provisions of the Act to acquire parcels, to encourage other owners to acquire other property within the Project Area, or to select non-owner developers by private negotiation, public advertisement, bidding or the solicitation of written proposals, or a combination of one or more of the above methods.

B. IDENTIFICATION OF DEVELOPERS WHO ARE CURRENTLY INVOLVED IN THE PROPOSED COMMUNITY DEVELOPMENT

1. QUALIFIED OWNERS

Any person wishing to become a developer will be required to own or have the right to purchase all or part of the Project Area.

2. OTHER PARTIES

If no owner in the Project Area, as described in Subparagraph A above, who possesses the skill, experience and financial resources necessary to become a developer in the Project Area is willing or able to become a developer of all or part of the Project Area, the Agency may identify other qualified persons who may be interested in developing all or part of the Project Area. Potential developers may be identified by one or more of the following processes: (1) public solicitation, (2) requests for proposals (RFP), (3) requests for bids (RFB), (4) private negotiation, or (5) some other method of identification approved by the Agency.

3. OWNER PARTICIPATION AGREEMENTS

The Agency has not entered into nor does it intend to enter into any owner participation agreements or agreements with developers to develop all or part of the Project Area until after the Agency and the City decide whether or not to adopt this Plan for the Project Area. If the Project Area is adopted,

10. REASONS FOR THE SELECTION OF THE PROJECT AREA [17C-5-105(9)]

The Project Area was selected by the Agency as that area within the City having an immediate opportunity to strengthen the community and to move forward the goals and objectives as expressed in the City’s General Plan. Additionally, although not required as part of this Plan, it is anticipated that the project will create 2,250 new jobs.



B. SOCIAL CONDITIONS

No unusual social conditions were found to exist. Because of the development of land into a mixed-use commercial office center, consistent with the General Plan of the City, this area will take on a new social character that will enhance existing development in the City. The Farmington North Station Area #3 Plan will bring residents and visitors to the Project Area for shopping and employment. It is anticipated, therefore, that the proposed project area will add to the community's economy, quality of life, and reputation.

C. ECONOMIC CONDITIONS

The majority of the Project Area currently is associated with the greenbelt properties. The total base year taxable value in the Project Area is \$3,836,194 but only collects \$13,761/per year. The tax base where applicable is the value before leaving greenbelt. 100% of greenbelt "roll back funds" will be distributed to the taxing entities.

12. TAX INCENTIVES OFFERED TO PRIVATE ENTITIES FOR FACILITIES LOCATED WITHIN THE PROJECT AREA [17C-5-105(11)]

The Agency intends to use property tax increment generated within the Project Area to pay part of the costs associated with development of the Project Area. The Agency intends to negotiate and enter into one or more inter-local agreements with Farmington City, Davis County/Davis County Library, Davis School District, Weber Basin Water Conservancy, Davis County Mosquito Abatement, and Central Davis Sewer District to secure receipt of a portion of the property tax increment generated within the Project Area that would otherwise be paid to those taxing entities. Collectively, those tax revenues may be used to reimburse a private developer for a portion of the cost of the public infrastructure improvements including interest and bonding costs. Subject to the provisions of the Act, the Agency may agree to pay for eligible development costs and other items from such tax revenues for any period of time the Agency and the taxing entities may deem appropriate under the circumstances.

Specifically, the Agency intends to enter into agreements with each of the taxing entities whereby the Agency will receive 70 percent of the property tax increment for a period of 20 years. The Project Area will trigger no later than December 31, 2027. The cap on the tax increment is \$23.8 Million

Detailed tax increment information is provided in Appendix D in the Project Area Budget that is attached to this Plan and made a part thereof.



13. ANALYSIS OR DESCRIPTION OF THE ANTICIPATED PUBLIC BENEFIT TO BE DERIVED FROM THE COMMUNITY DEVELOPMENT [17C-5-105(12)]

The public will realize significant benefits from the development of the Community Reinvestment Project Area as proposed by this Plan. The Agency's long-term objective in developing the Project Area is to create a high-quality City and Employment Center that will diversify the City's economic and tax base and provide employment opportunities to City residents.

In order to facilitate the development contemplated herein, the Agency created the Project Area. The City and the Agency saw the development of the Project as an opportunity to "jump start" the proposed redevelopment by creating a public-private partnership for the project area.

A. BENEFICIAL INFLUENCES ON THE TAX BASE

The incremental taxable value of the area is \$185 million over 20 years. At that time, the incremental property tax revenues to all taxing entities should reach over \$2.14 million per year. In addition, the development will generate sales tax revenues and municipal energy ("franchise") tax revenues.

In addition to tax revenues, the project will generate other revenues including Class B/C Road Funds, business license fees, charges for services, and one-time fees such as building permits and impact fees.

B. ASSOCIATED BUSINESS AND ECONOMIC ACTIVITY

Business and economic activity likely to be derived includes business and employee expenditures, as well as construction expenditures.

1. BUSINESS AND EMPLOYEE EXPENDITURES

It is anticipated that employees and business owners in the Farmington North Station 3 CRA Project Area will directly or indirectly purchase local goods and services related to their operations from local or regional suppliers. These purchases will likely increase employment opportunities in the related areas of business equipment, furniture and furnishings, business supplies, computer equipment, communication, security, transportation and delivery services, maintenance, repair and janitorial services, packaging supplies, office and printing services, transportation and delivery services.

A summary of benefits is as follows:

- Provide an increase in direct purchases in the City.
- Provide economic diversification within the City and Davis County.
- Encourage economic development in order for a public or private employer to create additional jobs in the community.
- Complement existing businesses and industries located within the City by providing new employees who may live and shop and pay taxes in the City and the region.
- Another benefit will be the expenditure of income by employees filling the new positions.



The types of expenditures by employees in the area will likely include convenience shopping for personal and household goods, lunches at area restaurants, convenience purchases and personal services (haircuts, banking, dry cleaning, etc.) The employees will not make all of their convenience or personal services purchases near their workplace, and each employee's purchasing patterns will be different. However, it is reasonable to assume that a percentage of these annual purchases will occur within close proximity to the workplace (assuming the services are available).



2. CONSTRUCTION EXPENDITURES

Economic activity associated with the development will include construction activity. Market value of the project is expected to reach \$194 million. This will create a significant number of construction jobs.

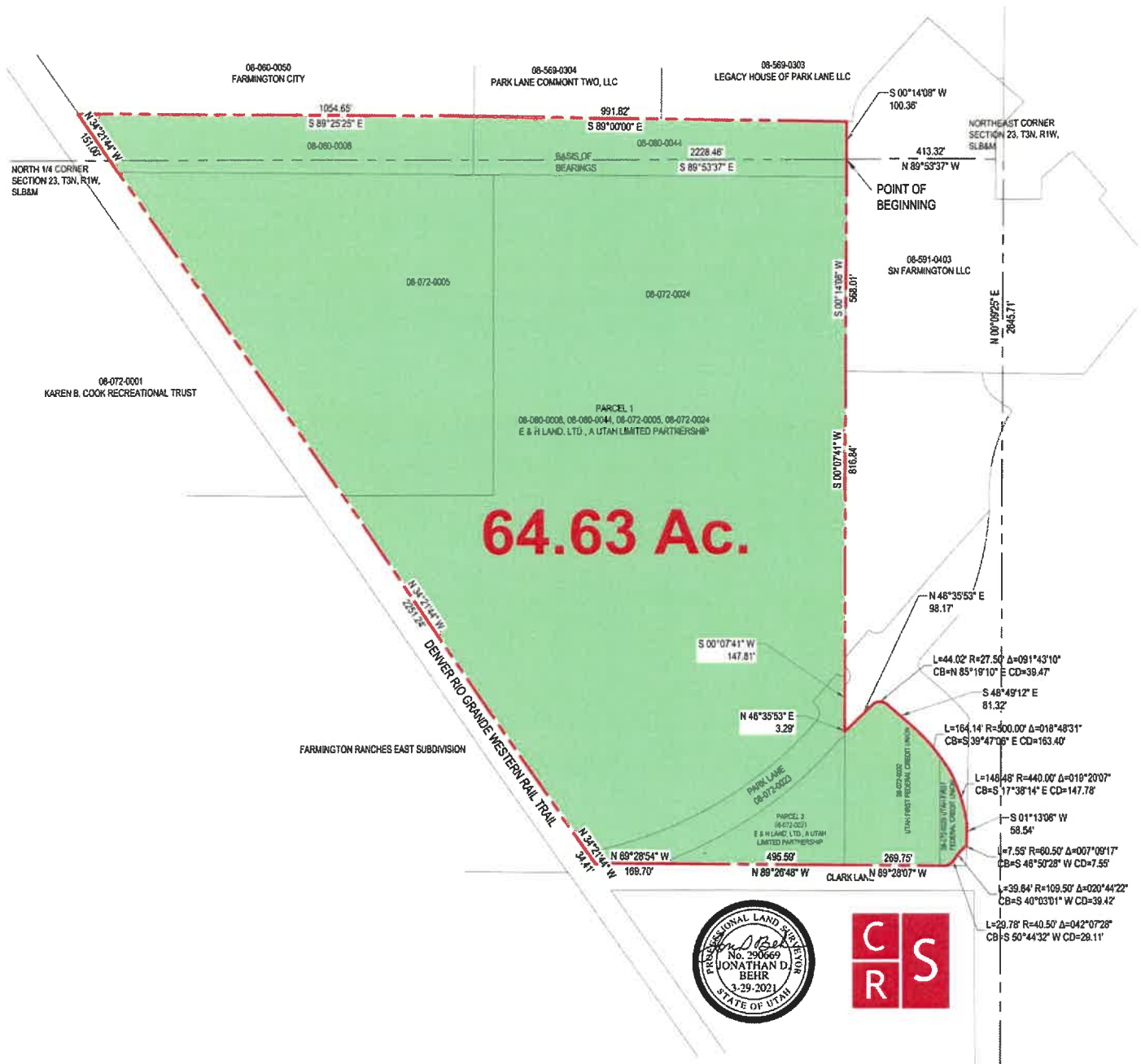
14. BLIGHT DETERMINATION IN THE COMMUNITY REINVESTMENT AREA [17C-5-104 (2)] (NO STRUCTURES SUBJECT TO HISTORIC STATUS)

Pursuant to the provisions of §17C-5-104 et seq. the agency anticipates no need to utilize eminent domain in the project area – thus no blight study is needed as outlined in §17C-5-402.

15. ALLOCATION OF PUBLIC FUNDS FOR HOUSING [17C-5-307]

Pursuant to 17C-5-307 (2) the agency is proposing 10% of the tax increment credit in the CRA to address Farmington's specific need for income targeted housing or housing assistance for residents; following guild lines and allocation requirements specified in Section 17C-1-412."

APPENDIX A: PROJECT AREA MAP





APPENDIX B: LEGAL DESCRIPTION

ALL THAT PIECE OR PARCEL OF LAND COMPRISING TAX ACCOUNT COMPRISED OF:

Parcel ID: 080720024, Parcel ID: 080720021, Parcel ID: 080720023, Parcel ID: 080720032, Parcel ID: 080720029,
Parcel ID: 080720005, Parcel ID: 080600044 AND Parcel ID: 080600008

CITY OF FARMINGTON, DAVIS COUNTY UTAH, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:
BEGINNING AT A POINT WHICH IS N 89°53'37" W, A DISTANCE OF 413.32 FEET FROM THE NORTHEAST
CORNER OF SECTION 23, T3N, R1W, SLB&M AND RUNNING:

S 0°14'08" W, A DISTANCE OF 568.01 FEET TO A POINT; THENCE
S 0°07'41" W, A DISTANCE OF 816.84 FEET TO A POINT; THENCE
S 0°07'41" W, A DISTANCE OF 147.81 FEET TO A POINT; THENCE
N 46°35'53" E, A DISTANCE OF 3.29 FEET TO A POINT; THENCE
N 46°35'53" E, A DISTANCE OF 98.17 FEET TO A POINT TO A POINT OF CURVATURE; THENCE
EASTERLY, ON A CURVE TO THE RIGHT HAVING A RADIUS OF 27.50 FEET, THROUGH A CENTRAL
ANGLE OF 91°43'10", A LENGTH OF 44.02 FEET (CHORD BEARS N 85°19'10" E, 39.47'); TO A POINT OF
TANGENCY; THENCE
S 48°49'12" E, A DISTANCE OF 81.32 FEET TO A POINT OF CURVATURE; THENCE
SOUTHERLY, ON A CURVE TO THE RIGHT HAVING A RADIUS OF 500.00 FEET, THROUGH A CENTRAL
ANGLE OF 18°48'31", A LENGTH OF 164.14 FEET (CHORD BEARS S 39°47'06" E, 163.40') TO A POINT OF
COMPOUND CURVATURE; THENCE
SOUTHERLY, ON A CURVE TO THE RIGHT HAVING A RADIUS OF 440.00 FEET, THROUGH A CENTRAL
ANGLE OF 19°20'07", A LENGTH OF 148.48 FEET (CHORD BEARS S 17°38'14" E, 147.78') TO A POINT OF
NON-TANGENCY; THENCE
S 1°13'08" W, A DISTANCE OF 58.54 FEET TO A POINT OF NON-TANGENT CURVATURE; THENCE
SOUTHERLY, ON A CURVE TO THE RIGHT HAVING A RADIUS OF 60.50 FEET, THROUGH A CENTRAL
ANGLE OF 7°09'17", A LENGTH OF 7.55 FEET (CHORD BEARS S 46°50'28" W, 7.55') TO A POINT OF
REVERSE CURVATURE; THENCE
SOUTHWESTERLY, ON A CURVE TO THE LEFT HAVING A RADIUS OF 109.50 FEET, THROUGH A
CENTRAL ANGLE OF 20°44'22", A LENGTH OF 39.64 FEET (CHORD BEARS S 40°03'01" W, 39.42') TO A
POINT OF REVERSE CURVATURE; THENCE
SOUTHWESTERLY, ON A CURVE TO THE RIGHT HAVING A RADIUS OF 40.50 FEET, THROUGH A
CENTRAL ANGLE OF 42°07'28", A LENGTH OF 29.78 FEET (CHORD BEARS S 50°44'32" W, 29.11') TO A
POINT OF NON-TANGENCY; THENCE
N 89°28'07" W, A DISTANCE OF 269.75 FEET TO A POINT; THENCE
N 89°26'48" W, A DISTANCE OF 495.59 FEET TO A POINT; THENCE
M 89°28'54" W, A DISTANCE OF 169.70 FEET TO A POINT; THENCE
N 34°21'44" W, A DISTANCE OF 34.41 FEET TO A POINT; THENCE
N 34°21'44" W, A DISTANCE OF 2251.24 FEET TO A POINT; THENCE
N 34°21'44" W, A DISTANCE OF 151.00 FEET TO A POINT; THENCE
S 89°25'25" E, A DISTANCE OF 1054.65 FEET TO A POINT; THENCE
S 89°00'00" E, A DISTANCE OF 991.82 FEET TO A POINT; THENCE
S 0°14'08" W, A DISTANCE OF 100.36 FEET TO THE POINT OF BEGINNING.

SAID PARCEL COMPRISING 64.638 ACRES OF LAND, MORE OR LESS.



APPENDIX C: LIST OF PARCELS

Parcel Number	Tax District	2020 Taxable Value	2020 taxes	Acres	Legal Description
080600008	23	\$182,643	\$0	3.53	BEG 77.1 RODS E FR SW COR OF SE 1/4 OF SEC 14-T3N-R1W, SLM; TH N 9.4 RODS; TH W 61 RODS, M/L, TO E R/W LINE OF D&RGW RR; TH S 34°40' E ALG SD R/W TO A PT W OF BEG; TH E 59 RODS, M/L, TO POB. CONT.
080600044	23	\$182,031	\$0	3.51	BEG NW COR OF LOT 16, BLK 27, PLAT BC, FARMINGTON TS SURVEY IN SE 1/4 OF SEC 14-T3N-R1W, SLM; E 991.82 FT TO A BNDRY LINE AGMT RECORDED 05/12/2011 AS E# 2598549 BK 5272 PG 348; TH S 0°06'13" E 154.59
080720005	23	\$564,243	\$2.67	14.13	BEG 20 CHAINS E FR NW COR OF NE 1/4 OF SEC 23-T3N-R1W, SLM; TH S 13.18 CHAINS; TH W 6.042 CHAINS, M/L, TO E LINE OF D&RGW RR R/W; TH N 34°40' W ALG SD R/W 15.91 CHAINS, M/L, TO N LINE OF SEC AT A PT W
080720024	23	\$1,488,651	\$7.51	39.81	BEG 11.29 CHAINS N, 6.13 CHAINS W & N 00°09'31" E 515.61 FT FR SE COR OF NE 1/4 OF SEC 23-T3N-R1W, SLM; SD PT BEING ON THE N'LY LINE OF PPTY CONV IN SPECIAL WARRANTY DEED RECORDED 01/21/2011 AS E# 258
080720023	23	\$744.00	\$0	1.49	A PART OF THE NE 1/4 OF SEC 23-T3N-R1W, SLB&M: BEG AT A PT ON THE N R/W LINE OF CLARK LANE & THE S LINE OF THE GRANTORS PPTY & THE E LINE OF D&RGW RR R/W, WH IS 751.04 FT N 00°09'31" E ALG SEC LINE &
080720021	23	\$293,708	\$0	1.72	BEG 11.29 CHAINS N, 6.13 CHAINS W FR SE COR OF NE 1/4 OF SEC 23-T3N-R1W, SLM; N 354.74 FT, M/L, TO THE SE'LY LINE OF PPTY CONV IN SPECIAL WARRANTY DEED RECORDED 01/21/2011 AS E# 2580452 BK 5194 PG 122
080720032	23	\$967,961	\$11,756.94	2.25	ALL THAT PART OF THE NE 1/4 OF SEC 23-T3N-R1W, SLB&M, MORE PART'LY DESC AS FOLLOWS: BEG AT A PT OF INTERSECTION OF THE N LINE OF THE 66 FT HISTORIC CLARK LANE & THE W LINE OF PARK LANE, A STATE ROAD
080720029	23	\$156,213	\$1,994.31	0.36	ALL THAT PART OF THE NE 1/4 OF SEC 23-T3N-R1W, SLB&M, MORE PART'LY DESC AS FOLLOWS: BEG AT A PT OF INTERSECTION OF THE N LINE OF THE 66 FT HISTORIC CLARK LANE & THE W LINE OF PARK LANE, A STATE ROAD



APPENDIX D: PROJECT AREA BUDGET

	Increment budget	Quantity	Unit	Improvements covered by Farmington City	Improvement paid for by developer	total cost of improvement
Land Acquisition for ROW	\$2,403,876	16	AC	\$2,776,453	\$5,707,723	\$10,814,751
Roads	\$2,313,711	5197	LF	\$0.00	\$6,941,133	\$9,254,845
substations	\$1,156,856	0.44	EA	\$0.00	\$2,056,000	\$3,213,488
structured parking stalls	\$10,908,351	1700	EA	\$0.00	\$20,650,000	\$33,300,000
Tenant Outreach	\$3,303,418	1	EA	N/A	N/A	N/A
Wetland mitigation	\$268,800	2	AC	N/A	N/A	N/A
Subtotal	\$20,585,303			\$2,776,453	\$37,097,138	\$56,925,185
*Administration	\$714,138					
**Housing contribution	\$2,380,458					
Total	\$23,804,584					

*3% total to Agency and 3% of County TIF to County Admin

**10% of total increment per {17C-5-307}

Farmington City
Evans Property
Incremental Property Tax Analysis

ASSUMPTIONS	
Discount Rate	4.0%
Inflation Rate	0.0%

Incremental Property Tax Analysis		2021		2022		2023		2024		2025		2026		2027		2028		2029		2030		2031		2032		2033		2034		2035		2036		2037		2038		2039		2040		TOTALS		NPV																																																																																																																																																																																																																																												
Incremental Tax Analysis		2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055	2056	2057	2058	2059	2060	2061	2062	2063	2064	2065	2066	2067	2068	2069	2070	2071	2072	2073	2074	2075	2076	2077	2078	2079	2080	2081	2082	2083	2084	2085	2086	2087	2088	2089	2090	2091	2092	2093	2094	2095	2096	2097	2098	2099	2100	2101	2102	2103	2104	2105	2106	2107	2108	2109	2110	2111	2112	2113	2114	2115	2116	2117	2118	2119	2120	2121	2122	2123	2124	2125	2126	2127	2128	2129	2130	2131	2132	2133	2134	2135	2136	2137	2138	2139	2140	2141	2142	2143	2144	2145	2146	2147	2148	2149	2150	2151	2152	2153	2154	2155	2156	2157	2158	2159	2160	2161	2162	2163	2164	2165	2166	2167	2168	2169	2170	2171	2172	2173	2174	2175	2176	2177	2178	2179	2180	2181	2182	2183	2184	2185	2186	2187	2188	2189	2190	2191	2192	2193	2194	2195	2196	2197	2198	2199	2200	2201	2202	2203	2204	2205	2206	2207	2208	2209	2210	2211	2212	2213	2214	2215	2216	2217	2218	2219	2220	2221	2222	2223	2224	2225	2226	2227	2228	2229	2230	2231	2232	2233	2234	2235	2236	2237	2238	2239	2240	2241	2242	2243	2244	2245	2246	2247	2248	2249	2250	2251	2252	2253	2254	2255	2256	2257	2258	2259	2260	2261	2262	2263	2264	2265	2266	2267	2268	2269	2270	2271	2272	2273	2274	2275	2276	2277	2278	2279	2280	2281	2282	2283	2284	2285	2286	2287	2288	2289	2290	2291	2292	2293	2294	2295	2296	2297	2298	2299
Incremental Tax Analysis		2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055	2056	2057	2058	2059	2060	2061	2062	2063	2064	2065	2066	2067	2068	2069	2070	2071	2072	2073	2074	2075	2076	2077	2078	2079	2080	2081	2082	2083	2084	2085	2086	2087	2088	2089	2090	2091	2092	2093	2094	2095	2096	2097	2098	2099	2100	2101	2102	2103	2104	2105	2106	2107	2108	2109	2110	2111	2112	2113	2114	2115	2116	2117	2118	2119	2120	2121	2122	2123	2124	2125	2126	2127	2128	2129	2130	2131	2132	2133	2134	2135	2136	2137	2138	2139	2140	2141	2142	2143	2144	2145	2146	2147	2148	2149	2150	2151	2152	2153	2154	2155	2156	2157	2158	2159	2160	2161	2162	2163	2164	2165	2166	2167	2168	2169	2170	2171	2172	2173	2174	2175	2176	2177	2178	2179	2180	2181	2182	2183	2184	2185	2186	2187	2188	2189	2190	2191	2192	2193	2194	2195	2196	2197	2198	2199	2200	2201	2202	2203	2204	2205	2206	2207	2208	2209	2210	2211	2212	2213	2214	2215	2216	2217	2218	2219	2220	2221	2222	2223	2224	2225	2226	2227	2228	2229	2230	2231	2232	2233	2234	2235	2236	2237	2238	2239	2240	2241	2242	2243	2244	2245	2246	2247	2248	2249	2250	2251	2252	2253	2254	2255	2256	2257	2258	2259	2260	2261	2262	2263	2264	2265	2266	2267	2268	2269	2270	2271	2272	2273	2274	2275	2276	2277	2278	2279	2280	2281	2282	2283	2284	2285	2286	2287	2288	2289	2290	2291	2292	2293	2294	2295	2296	2297	2298	2299
Incremental Tax Analysis		2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055	2056	2057	2058	2059	2060	2061	2062	2063	2064	2065	2066	2067	2068	2069	2070	2071	2072	2073	2074	2075	2076	2077	2078	2079	2080	2081	2082	2083	2084	2085	2086	2087	2088	2089	2090	2091	2092	2093	2094	2095	2096	2097	2098	2099	2100	2101	2102	2103	2104	2105	2106	2107	2108	2109	2110	2111	2112	2113	2114	2115	2116	2117	2118	2119	2120	2121	2122	2123	2124	2125	2126	2127	2128	2129	2130	2131	2132	2133	2134	2135	2136	2137	2138	2139	2140	2141	2142	2143	2144	2145	2146	2147	2148	2149	2150	2151	2152	2153	2154	2155	2156	2157	2158	2159	2160	2161	2162	2163	2164	2165	2166	2167	2168	2169	2170	2171	2172	2173	2174	2175	2176	2177	2178	2179	2180	2181	2182	2183	2184	2185	2186	2187	2188	2189	2190	2191	2192	2193	2194	2195	2196	2197	2198	2199	2200	2201	2202	2203	2204	2205	2206	2207	2208	2209	2210	2211	2212	2213	2214	2215	2216	2217	2218	2219	2220	2221	2222	2223	2224	2225	2226	2227	2228	2229	2230	2231	2232	2233	2234	2235	2236	2237	2238	2239	2240	2241	2242	2243	2244	2245	2246	2247	2248	2249	2250	2251	2252	2253	2254	2255	2256	2257	2258	2259	2260	2261	2262	2263	2264	2265	2266	2267	2268	2269	2270	2271	2272	2273	2274	2275	2276	2277	2278	2279	2280	2281	2282	2283	2284	2285	2286	2287	2288	2289	2290	2291	2292	2293	2294	2295	2296	2297	2298	2299
Incremental Tax Analysis		2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055	2056	2057	2058	2059	2060	2061	2062	2063	2064	2065	2066	2067	2068	2069	2070	2071	2072	2073	2074	2075	2076	2077	2078	2079	2080	2081	2082	2083	2084	2085	2086	2087	2088	2089	2090	2091	2092	2093	2094	2095	2096	2097	2098	2099	2100	2101	2102	2103	2104	2105	2106	2107	2108	2109	2110	2111	2112	2113	2114	2115	2116	2117	2118	2119	2120	2121	2122	2123	2124	2125	2126	2127	2128	2129	2130	2131	2132	2133	2134	2135	2136	2137	2138	2139	2140	2141	2142	2143	2144	2145	2146	2147	2148	2149	2150	2151	2152	2153	2154	2155	2156	2157	2158	2159	2160	2161	2162	2163	2164	2165	2166	2167	2168	2169	2170	2171	2172	2173	2174	2175	2176	2177	2178	2179	2180	2181	2182	2183	2184	2185	2186	2187	2188	2189	2190	2191	2192	2193	2194	2195	2196	2197	2198	2199	2200	2201	2202	2203	2204	2205	2206	2207	2208	2209	2210	2211	2212	2213	2214	2215	2216	2217	2218	2219	2220	2221	2222	2223	2224	2225	2226	2227	2228	2229	2230	2231	2232	2233	2234	2235	2236	2237	2238	2239	2240	2241	2242	2243	2244	2245	2246	2247	2248	2249	2250	2251	2252	2253	2254	2255	2256	2257	2258	2259	2260	2261	2262	2263	2264	2265	2266	2267	2268	2269	2270	2271	2272	2273	2274	2275	2276	2277	2278	2279	2280	2281	2282	2283	2284	2285	2286	2287	2288	2289	2290	2291	2292	2293	2294	2295	2296	2297	2298	2299
Incremental Tax Analysis		2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055	2056	2057	2058	2059	2060	2061	2062	2063	2064	2065	2066	2067	2068	2069	2070	2071	2072	2073	2074	2075	2076	2077	2078	2079	2080	2081	2082	2083	2084	2085	2086	2087	2088	2089	2090	2091	2092	2093	2094	2095	2096	2097	2098	2099	2100	2101	2102	2103	2104	2105	2106	2107	2108	2109	2110	2111	2112	2113	2114	2115	2116	2117	2118	2119	2120	2121	2122	2123	2124	2125	2126	2127	2128	2129	2130	2131	2132	2133	2134	2135	2136	2137	2138	2139	2140	2141	2142	2143	2144	2145	2146	2147	2148	2149	2150	2151	2152	2153	2154	2155	2156	2157	2158	2159	2160	2161	2162	2163	2164	2165	2166	2167	2168	2169	2170	2171	2172	2173	2174	2175	2176	2177	2178	2179	2180	2181	2182	2183	2184	2185	2186	2187	2188	2189	2190	2191	2192	2193	2194	2195	2196	2197	2198	2199	2200	2201	2202	2203	2204	2205	2206	2207	2208	2209	2210	2211	2212	2213	2214	2215	2216	2217	2218	2219	2220	2221	2222	2223	2224	2225	2226	2227	2228	2229	2230	2231	2232	2233	2234	2235	2236																																																															

**INTERLOCAL AGREEMENT
BETWEEN THE FARMINGTON CITY REDEVELOPMENT AGENCY
AND FARMINGTON CITY**

THIS INTERLOCAL AGREEMENT BETWEEN THE FARMINGTON CITY REDEVELOPMENT AGENCY AND FARMINGTON CITY (this "Agreement") is entered into by and between the **FARMINGTON CITY REDEVELOPMENT AGENCY** (the "Agency") and **FARMINGTON CITY** (the "City") (collectively, the "Parties").

RECITALS

- A. The Agency was created pursuant to the provisions of the Limited Purpose Local Government Entities - Community Development and Renewal Agencies Act, Title 17C of the Utah Code (the "Act"), and is authorized thereunder to conduct community development activities within Farmington City, Utah, as contemplated by the Act; and
- B. On November 17th, 2020, the Agency authorized the preparation of the Farmington North Station Community Reinvestment Project Area 3 (the "Project Area"), and has prepared a draft community development project area plan for the Project Area, a copy of which is attached hereto as exhibit "A" and incorporated herein by this reference (referred to in this Agreement as the "Project Area Plan," which includes the legal description and a map of the Project Area), with goals to cultivate the development of a class A office employment center in the in the area north of station park.
- C. The City and the Agency have determined that it is in the best interests of the City to provide certain financial assistance through the use of Tax Increment (as defined below) in connection with the development of the Project as set forth in the Project Area Plan; and
- D. The Agency anticipates providing tax increment (as defined in Utah Code Ann. § 17C-1-102 (hereinafter "Tax Increment")), created by the Project, to assist in the development and completion of the Project as provided in the Project Area Plan; and
- E. Utah Code Ann. § 17C-5-204(1)(a) authorizes the City to consent to the payment to the Agency of a portion of the City's share of Tax Increment generated from the Project Area for the purposes set forth herein; and
- F. Utah Code Ann. § 11-13-215 further authorizes the City to share its tax and other revenues with the Agency; and
- G. In order to facilitate development of the Project, the City desires to authorize the payment to the Agency of a portion of the City's share of Tax Increment generated by the Project Area in accordance with the terms of this Agreement; and
- H. The provisions of applicable Utah State law shall govern this Agreement, including the Act and the Interlocal Cooperation Act, Utah Code Ann. § 11-13-101 et seq. as amended (the "Cooperation Act").

NOW THEREFORE, in consideration of the mutual promises set forth herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

1. City's Consent.

- a. Pursuant to Utah Code Ann. §§ 17C-4-204(4) and 11-13-215, the City hereby agrees and consents that the Agency shall be paid seventy percent (70%) of the City share of the Tax Increment from the Project Area (the "City Share") for t w e n t y (20) years, starting no later than December 31,

2027, with the base year being 2021. Based upon review of the City and Utah State Tax Commission records, the Parties believe that the 2018 base revenues of the Project Area is approximately thirty-six thousand eight hundred ninety-four dollars (\$84), which base taxable value is subject to adjustment by law in accordance with the provisions of the Act. The City Share shall be used for the purposes set forth in Utah Code Ann. § 17C-5-204(3) as reflected herein and for the purpose of providing funds to the Agency to carry out the Project Area Plan and shall be disbursed as specified in the Project Area Plan. The calculation of the annual Tax Increment shall be made as required by Utah Code Ann. § 17C-5-204(4), using the City's then current tax levy rate.

- b. The City shall pay directly to the Agency the City Share in accordance with Utah Code Ann. § 17C-5-206 for the 20-year period described in Section 1.a. above.
- c. Notwithstanding the foregoing, if the Agency receives less than the specified twenty (20) years Tax Increment from the Project Area sufficient to retire, pay, or otherwise satisfy all of the payment obligations of the Agency with regard to the Project, including, but not limited to, tenant attraction, debt service on any bonds issued to finance Project costs or the maximum amount the Agency has agreed to contribute to the cost of infrastructure, the Agency will either (i) cease collecting the City Share under this Agreement, or (ii) renegotiate this Agreement with the City to provide for the payment of the City Share for the remainder of all or a portion of the originally contemplated 20-year term of this Agreement. It is the intent of the Parties that the payment and use of Tax Increment from the Project Area for eligible Project costs will not extend over a period longer than twenty (20) years. In no case shall the total City Tax Increment collected by the Agency exceed Three-million one-hundred thousand dollars (**\$3,100,000**).
- d. Notwithstanding anything to the contrary in this Agreement, in the Project Area Plan, in the Act, or in the Cooperation Act, none of the City Share shall be used for environmental cleanup or remediation of water or aquifers or for the purchase or development of municipal and/or industrial water, including, but not limited to, purchase, treatment, or storage other than infrastructure owned and used by Farmington City in its delivery of water.

2. City's Contribution of Tax Increment Financing.

The Agency agrees that the City's participation in the Project area shall require seventy percent (70%) of the City's share of the Tax Increment from the Project Area (the "City Share"). The City Share shall be paid to the Agency for twenty (20) years, with the base year being 2018.

3. Amendments to Project Area Plan.

In the event the Agency or the City makes any substantive changes to the Project Area Plan, then the Agency shall provide the City with a copy of such revised Project Area Plan.

4. Authorized Uses of Tax Increment.

Except as otherwise provided in this Agreement, the Parties agree that the Agency may apply the City Share to the payment of any of the components of the Project as described herein and contemplated in the Project Area Plan, including, but not limited to tenant attraction, the cost and maintenance of public infrastructure and other improvements located within the Project Area, site preparation, and administrative costs, as authorized by the Act.

5. Effective Date of This Agreement.

This Agreement shall become effective as specified in Title 17C, Chapter 5, Section 205,

Subsection (3)

6. No Third Party Beneficiary.

Nothing in this Agreement shall create or be read or interpreted to create any rights in or obligations in favor of any person or entity not a party to this Agreement. Except for the Parties to this Agreement, no person or entity is an intended third party beneficiary under this Agreement.

7. Due Diligence.

Each of the Parties acknowledge for itself that it has performed its own review, investigation, and due diligence regarding the relevant facts concerning the Project Area and Plan and expected benefits to the community and to the Parties, and each of the parties rely on its own understanding of the relevant facts and information, after having completed its own due diligence and investigation.

8. Interlocal Cooperation Act.

In satisfaction of the requirements of the Cooperation Act in connection with this Agreement, the Parties agree as follows:

- a. This Agreement shall be authorized and adopted by resolution of the legislative body of each Party pursuant to and in accordance with the provisions of Utah Code Ann. §11-13-202.5;
- b. This Agreement shall be reviewed as to proper form and compliance with applicable law by a duly authorized attorney on behalf of each Party pursuant to and in accordance with the Utah Code Ann. § 11-13-202.5(3);
- c. A duly executed original counterpart of this Agreement shall be filed immediately with the keeper of records of each Party pursuant to Utah Code Ann. §11-13-209;
- d. The Chair of the Agency is hereby designated the administrator for all purposes of the Cooperation Act, pursuant to Utah Code Ann. § 11-13-207;
- e. The term of this Agreement shall commence on the date of full execution of this Agreement by both Parties and its publication as provided in Utah Code Ann. § 17C-5-205(3), and shall continue through the date on which all of the City Share has been paid to and disbursed by the Agency as provide for herein or the Agency ceases to receive such Tax Increment pursuant to Section 1.c. hereof, but in any event, unless amended, this Agreement shall terminate no later than December 31, 2044;
- f. Following the execution of this Agreement by both Parties, the Agency shall cause a notice regarding this Agreement to be published on behalf of both of the Parties in accordance with Utah Code Ann. § 11-13-219 and on behalf of the Area in accordance with § 17C-5-205;
- g. The Parties agree that they do not, by this Agreement, create an interlocal entity;
- h. There is no financial or joint or cooperative undertaking and no joint or cooperative budget shall be established or maintained;
- i. No real or personal property will be acquired, held or disposed of or used in conjunction with a joint or cooperative undertaking.

9. Modification and Amendment.

Any modification of or amendment to any provision contained herein shall be effective only if the modification or amendment is in writing and signed by both Parties. Any oral representation or modification concerning this Agreement shall be of no force or effect.

10. Further Assurance.

Each of the Parties hereto agrees to cooperate in good faith with the other, to execute and deliver such further documents, to adopt any resolutions, to take any other official action, and to perform such other acts as may be reasonably necessary or appropriate to consummate and carry into effect the transactions contemplated under this Agreement.

11. Governing Law.

This Agreement shall be governed by, and construed and interpreted in accordance with, the laws of the State of Utah.

12. Severability.

If any provision of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction or as a result of future legislative action, and if the rights or obligations of any Party hereto under this Agreement will not be materially and adversely affected thereby,

- a. such holding or action shall be strictly construed;
- b. such provision shall be fully severable;
- c. this Agreement shall be construed and enforced as if such provision had never comprised a part hereof;
- d. the remaining provisions of this Agreement shall remain in full force and effect and shall not be affected by the invalid or unenforceable provision or by its severance from this Agreement; and
- e. in lieu of such illegal, invalid, or unenforceable provision, the Parties hereto shall use commercially reasonable efforts to negotiate in good faith a substitute, legal, valid and enforceable provision that most nearly effects the Parties' intent in entering into this Agreement.

13. Incorporation of Recitals.

The recitals set forth above are hereby incorporated by reference as part of this Agreement.

15. Notices.

Any notices that may or must be sent under this Agreement should be delivered, by hand delivery or by United States mail, postage prepaid, as follows, or at an address subsequently amended and provided in writing to the other party:

<u>To the Agency:</u>	<u>To the City:</u> Farmington City Attn: City Mayor 160 s Main st. Farmington, UT 84025
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16. Governmental Immunity.

The Parties recognize and acknowledge that each Party is covered by the Governmental Immunity Act of Utah, codified at Section 63G-7-101, et seq., Utah Code Annotated, as amended, and nothing herein is intended to waive or modify any and all rights, defenses or provisions provided therein. Officers and employees performing services pursuant to this Agreement shall be deemed officers and employees of the Party employing their services, even if performing functions outside of the territorial limits of such party and shall be deemed officers and employees of such Party under the provisions of the Utah Governmental Immunity Act.

Each Party shall be responsible and shall defend the action of its own employees, negligent or otherwise, performed pursuant to the provisions of this Agreement.

17. Benefits.

The Parties acknowledge, understand, and agree that the respective representatives, agents, contractors, officers, officials, members, employees, volunteers, and/or any person or persons under the supervision, direction, or control of a Party are not in any manner or degree employees of the other Party and shall have no right to and shall not be provided with any benefits from the other Party. City employees, while providing or performing services under or in connection with this Agreement, shall be deemed employees of the City for all purposes, including, but not limited to, workers compensation, withholding, salary, insurance, and benefits. City employees, while providing or performing services under or in connection with this Agreement, shall be deemed employees of the City for all purposes, including, but not limited to, workers compensation, withholding, salary, insurance, and benefits.

18. Waivers or Modification.

No waiver or failure to enforce one or more parts or provisions of this Agreement shall be construed as a continuing waiver of any part or provision of this Agreement, which shall preclude the Parties from receiving the full, bargained for benefit under the terms and provisions of this Agreement. A waiver or modification of any of the provisions of this Agreement or of any breach thereof shall not constitute a waiver or modification of any other provision or breach, whether or not similar, and any such waiver or modification shall not constitute a continuing waiver. The rights of and available to each of the Parties under this Agreement cannot be waived or released verbally, and may be waived or released only by an instrument in writing, signed by the Party whose rights will be diminished or adversely affected by the waiver.

19. Binding Effect; Entire Agreement.

This Agreement is binding upon the Parties and their officers, directors, employees, agents, representatives and to all persons or entities claiming by, through or under them. This Agreement, including all attachments, if any, constitutes and/or represents the entire agreement and understanding between the Parties with respect to the subject matter herein. There are no other written or oral agreements, understandings, or promises between the Parties that are not set forth herein. Unless otherwise set forth herein, this Agreement supersedes and cancels all prior agreements, negotiations, and understandings between the Parties regarding the subject matter herein, whether written or oral, which are void, nullified and of no legal effect if they are not recited or addressed in this Agreement.

20. Force Majeure.

In the event that either Party shall be delayed or hindered in or prevented from the performance of any act required under this Agreement by reason of acts of God, acts of the United States Government, the State of Utah Government, fires, floods, strikes, lock-outs, labor troubles, inability to procure materials, failure of power, inclement weather, restrictive governmental laws, ordinances, rules, regulations or otherwise, delays in or refusals to issue necessary governmental permits or licenses, riots, insurrection, wars, or other reasons of a like nature not the fault of the Party delayed in performing work or doing acts required under the terms of this Agreement, then performance of such act(s) shall be excused for the period of the delay and the period for the performance of any such act shall be extended for a period equivalent to the period of such delay, without any liability to the delayed Party.

21. Assignment Restricted.

The Parties agree that neither this Agreement nor the duties, obligations, responsibilities, or privileges herein may be assigned, transferred, or delegated, in whole or in part, without the prior written consent of both of the Parties.

22. Counterparts.

This Agreement may be executed in any number of counterparts, each of which when so executed and delivered, shall be deemed an original, and all such counterparts taken together shall constitute one and the same Agreement.

(remainder of page left intentionally blank)

AGENCY

Attest:

Brett Anderson, CHAIR

DeAnn Carlile, Secretary

**FARMINGTON NORTH STATION COMMUNITY REINVESTMENT PROJECT
AREA 2 AND THE FARMINGTON CITY REDEVELOPMENT AGENCY**

Attorney Review for the Agency:

The undersigned, as counsel for the Farmington City Redevelopment Agency, has reviewed the foregoing Interlocal Agreement and finds it to be in proper form and in compliance with applicable state law.

**Attorney for Farmington North Station Community Reinvestment Project
Area 2 And Farmington City Redevelopment Agency**

Agency Attorney

FARMINGTON CITY

Brett Anderson
Farmington City Mayor

ATTEST:

DeAnn Carlile, Secretary

Attorney Review For the City

The undersigned, an attorney for the _____, has reviewed the foregoing Interlocal Agreement and finds it to be in proper form and in compliance with applicable state law.

Attorney for Farmington City

Exhibit A
Project Area Plan

**INTERLOCAL AGREEMENT
BETWEEN THE REDEVELOPMENT AGENCY
OF FARMINGTON CITY AND THE DAVIS SCHOOL DISTRICT**

THIS INTERLOCAL AGREEMENT is entered into as of the ____ day of _____, 2021, by and between the **REDEVELOPMENT AGENCY OF FARMINGTON CITY** (the “**Agency**”) and the **DAVIS SCHOOL DISTRICT** (the “**Taxing Entity**”) (collectively, the “**Parties**”).

RECITALS

A. The Agency was created and continues to operate pursuant to the provisions of the Limited Purpose Local Government Entities – Community Reinvestment Agency Act, Title 17C of the Utah Code (the “**Community Reinvestment Agency Act**”) and its predecessor statutes, and is authorized thereunder to conduct urban renewal, economic development, community development, and community reinvestment activities within Farmington City, Utah, as contemplated by the Community Reinvestment Agency Act; and

B. Pursuant to Resolution No. 2021-03 which was adopted by the Agency November 17th, 2020, Agency will establish the Farmington North Station #3 Community Reinvestment Project Area (the “**Project Area**”) through adoption of the proposed Project Area Plan, a copy of which is attached hereto as **Exhibit “A”** and incorporated herein by this reference (referred to in this Interlocal Agreement as the “**Project Area Plan**,” which includes the legal description and a map of the Project Area); and

C. The Agency desires to encourage, promote and provide for the development in the Project Area of an office park and related complementary uses for the location of businesses providing higher income jobs;

D. Pursuant to Resolution No. 2021-03, which was adopted by the Agency on November 17th, 2020, the Agency will adopt a Project Area Budget for the Project Area (the “**Budget**”), which sets forth the Agency’s estimates and projections for development and generation of property tax revenues for the Project Area; and

E. The Agency may issue one or more bonds, including bonds secured by tax increment revenues, to finance the construction of certain infrastructure improvements for the Project Area; and

F. The Taxing Entity has determined that it is in the best interests of the Taxing Entity to provide certain financial assistance through the use of Tax Increment (as defined below) in connection with the development of the Project Area; and

G. The Agency anticipates using tax increment (as defined in Utah Code Ann. § 17C-1-102(60) (hereinafter “**Tax Increment**”)) from the Project Area, to assist in the development of the Project Area and for funding the implementation of the Project Area Plan; and

H. Utah Code Ann. § 17C-5-204 authorizes the Taxing Entity to consent to the payment by Davis County (the “**County**”) to the Agency of a portion of the Taxing Entity’s share

of Tax Increment generated from the Project Area attributable to the Taxing Entity's tax levy on property within the Project Area, for the purposes set forth herein and in accordance with the terms of this Agreement; and

I. Utah Code Ann. § 11-13-215 further authorizes the Taxing Entity to share its tax and other revenues with the Agency; and

J. In order to facilitate development of and in the Project Area and to provide funds to carry out the Project Area Plan, the Taxing Entity is willing to agree that the Agency receive certain Tax Increment from the Project Area attributable to the Taxing Entity's tax levy, in accordance with the terms of this Agreement; and

K. This Agreement is entered into by the Parties pursuant to the authority of applicable State law, including the Community Reinvestment Agency Act and the Interlocal Cooperation Act, Utah Code Ann. § 11-13-101 *et seq.*, as amended (the "**Cooperation Act**").

NOW THEREFORE, in consideration of the mutual promises set forth herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

1. **Taxing Entity's Consent.**

a. The Parties agree that for purposes of calculation of the Taxing Entity's share of Tax Increment from the Project Area to be paid by the County to the Agency pursuant to this Agreement, the base year shall be 2020, and the base taxable value shall be \$83.00, which base taxable value is subject to adjustment by law in accordance with the provisions of the Community Reinvestment Agency Act. The parties specifically acknowledge that a portion of the base taxable value may include and be based on properties currently assessed under the Farmland Assessment Act, and further, that no adjustments to the base taxable value are contemplated based on this assessment. Pursuant to Section 17C-5-204 of the Community Reinvestment Agency Act and Sections 11-13-202.5 and 11-13-215 of the Cooperation Act, the Taxing Entity hereby agrees and consents that the project area funds collection period (the "**Project Area Funds Collection Period**") shall be twenty (20) years. During the Project Area Funds Collection Period, the Agency shall receive and be paid seventy percent (70%) of the tax increment attributable to the Taxing Entity's tax levy on both real and personal property within the Project Area (the "**Taxing Entity Share**"), for the purpose of providing funds to the Agency to carry out the Project Area Plan. The Project Area Funds Collection Period shall commence with any tax year from 2021 through 2027 at the Agency's election and determination as evidenced by written notice to the Taxing Entity and to the Davis County Auditor and Assessor; provided, however, that the total amount of such Tax Increment attributable to the Taxing Entity's tax levy that is paid to the Agency over the Project Area Funds Collection Period under this Agreement shall not exceed \$ 15,800,000; and provided further, that any portion of the Taxing Entity's taxes resulting from an increase in the Taxing Entity's tax rate pursuant to applicable hearing procedures (truth in taxation), that occurs after the Effective Date (defined below) of this Agreement, shall not be paid to the Agency unless the Taxing Entity specifically so consents in writing pursuant to an amendment to this Agreement or in a separate agreement. During the Project Area Funds Collection Period described above, the remaining thirty percent (30%) of the Tax Increment attributable to the Taxing Entity's tax levy

on both real and personal property within the Project Area shall be paid by Davis County to the Taxing Entity. All tax increment from the Project Area attributable to the Taxing Entity's tax levy for tax years beyond the Project Area Funds Collection Period shall be paid by Davis County to the Taxing Entity. The calculation of the Taxing Entity's portion of annual Tax Increment to be paid by the County to the Agency shall be made as required by Utah Code Ann. § 17C-1-102(60) (a), using the then current tax levy rate (subject to the limitation set forth above regarding increases in the City's tax rate pursuant to applicable hearing procedures).

b. Davis County shall pay directly to the Agency the Taxing Entity Share in accordance with Utah Code Ann. § 17C-5-204 during the Project Area Funds Collection Period described in Section 1.a. above.

2. **Consent to Budget.** As required by Utah Code § 17C-5-304, the Taxing Entity hereby consents to the Budget as adopted by the Agency.

3. **Authorized Uses of Tax Increment.** The Parties agree that the Agency may use the Taxing Entity Share for any purposes authorized under the Project Area Plan or the Community Reinvestment Agency Act, including but not limited to the cost and maintenance of public infrastructure and other improvements located within the Project Area, incentives to developers or participants within the project area, administrative, overhead, legal, and other operating expenses of the Agency, and any other purposes deemed appropriate by the Agency, all as authorized by the Act.

4. **No Third Party Beneficiary.** Nothing in this Agreement shall create or be read or interpreted to create any rights in or obligations in favor of any person or entity not a party to this Agreement. Except for the Parties to this Agreement, no person or entity is an intended third party beneficiary under this Agreement.

5. **Due Diligence.** Each of the Parties acknowledges for itself that it has performed its own review, investigation, and due diligence regarding the relevant facts concerning the Project Area and Project Area Plan and expected benefits to the community and to the Parties, and each of the Parties relies on its own understanding of the relevant facts and information, after having completed its own due diligence and investigation.

6. **Interlocal Cooperation Act.** In satisfaction of the requirements of the Cooperation Act in connection with this Agreement, the Parties agree as follows:

a. This Agreement shall be authorized and adopted by resolution of the legislative body of each Party pursuant to and in accordance with the provisions of Utah Code Ann. § 11-13-202.5;

b. This Agreement shall be reviewed as to proper form and compliance with applicable law by a duly authorized attorney on behalf of each Party pursuant to and in accordance with the Utah Code Ann. § 11-13-202.5(3);

c. A duly executed original counterpart of this Agreement shall be filed immediately with the keeper of records of each Party pursuant to Utah Code Ann. § 11-13-209;

d. The Chair of the Agency is hereby designated the administrator for all purposes of the Cooperation Act, pursuant to Utah Code Ann. § 11-13-207;

e. The term of this Agreement shall commence on the Effective Date and shall terminate on the date when all of the Taxing Entity Share has been paid to the Agency as provided for herein, or the date when the Agency ceases to receive such Tax Increment pursuant to Section 1 hereof;

f. Following the execution of this Agreement by both Parties, the Agency, at its sole expense, shall cause a notice regarding this Agreement to be published on behalf of both of the Parties in accordance with Utah Code Ann. § 11-13-219 and on behalf of the Agency in accordance with § 17C-5-205;

g. The Parties agree that they do not, by this Agreement, create an interlocal entity;

h. There is no financial or joint or cooperative undertaking and no budget shall be established or maintained;

i. No real or personal property will be acquired, held or disposed of or used in conjunction with a joint or cooperative undertaking.

7. **Modification and Amendment.** Any modification of or amendment to any provision contained herein shall be effective only if the modification or amendment is in writing and signed by both Parties. Any oral representation or modification concerning this Agreement shall be of no force or effect.

8. **Further Assurance.** Each of the Parties hereto agrees to cooperate in good faith with the other, to execute and deliver such further documents, to adopt any resolutions, to take any other official action, and to perform such other acts as may be reasonably necessary or appropriate to consummate and carry into effect the transactions contemplated under this Agreement.

9. **Governing Law.** This Agreement shall be governed by, and construed and interpreted in accordance with, the laws of the State of Utah.

10. **Interpretation.** The terms “include,” “includes,” “including” when used herein shall be deemed in each case to be followed by the words “without limitation.”

11. **Severability.** If any provision of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction or as a result of future legislative action, and if the rights or obligations of any Party hereto under this Agreement will not be materially and adversely affected thereby,

a. such holding or action shall be strictly construed;

b. such provision shall be fully severable;

c. this Agreement shall be construed and enforced as if such provision had never comprised a part hereof;

d. the remaining provisions of this Agreement shall remain in full force and effect and shall not be affected by the invalid or unenforceable provision or by its severance from this Agreement; and

e. in lieu of such illegal, invalid, or unenforceable provision, the Parties hereto shall use commercially reasonable efforts to negotiate in good faith a substitute, legal, valid and enforceable provision that most nearly effects the Parties' intent in entering into this Agreement.

12. **Incorporation of Recitals.** The recitals set forth above are hereby incorporated by reference as part of this Agreement.

13. **Incorporation of Exhibits.** The exhibits to this Agreement are hereby incorporated by reference as part of this Agreement.

14. **Effective Date.** This Agreement shall become effective upon the publication of the summary of this Agreement as provided by law.

15. **Entire Agreement.** This Agreement and its exhibits constitute the entire agreement between the Parties hereto pertaining to the subject matter hereof, and the final, complete and exclusive expression of the terms and conditions thereof. All prior agreements, representations, negotiations and understandings of the Parties hereto, oral or written, express or implied, are hereby superseded and merged herein.

16. **Waivers.** No waiver of any breach of any covenant or provision herein contained shall be deemed a waiver of any preceding or succeeding breach thereof or of any other covenant or provision herein contained. No extension of time for performance of any obligation or act shall be deemed an extension of the time for performance of any other obligation or act.

17. **Assignment.** No Party may assign its rights, duties or obligations under this Agreement without the prior written consent first being obtained from all Parties.

18. **Authorization.** Each of the Parties hereto represents and warrants to the other that the warranting Party has taken all steps, including the publication of public notice where necessary, in order to authorize the execution, delivery, and performance of this Agreement by each such Party.

19. **Counterparts.** This Agreement may be executed in duplicate originals, each of which shall be deemed an original.

21. **Housing component.** In the event the housing projects within either CRA 1 or CRA 3 exceed the planned housing units as noted in the plan, (100 units in CRA 1 and 540 units in CRA 3) by 10% or more, the district will be allowed to reduce its tax increment participation rate to 60%. The reduced increment would continue for the balance of the 20-year period or until the respective increment caps are reached.

ENTERED into as of the day and year first above written.

**REDEVELOPMENT AGENCY OF
FARMINGTON CITY**

By: _____
Chair

Attest:

By: _____
Secretary

Attorney Review for the Agency:

The undersigned, as counsel for the Redevelopment Agency of Farmington City, has reviewed the foregoing Interlocal Agreement and finds it to be in proper form and in compliance with applicable state law.

Attorney for Redevelopment Agency
of Farmington City

ADDITIONAL SIGNATURES TO INTERLOCAL AGREEMENT

DAVIS SCHOOL DISTRICT

By: _____
President
Board of Education
Davis School District

ATTEST:

Business Administrator
Board of Education
Davis School District

Attorney Review for the Taxing Entity:

The undersigned, an attorney for the Davis School District, has reviewed the foregoing Interlocal Agreement and finds it to be in proper form and in compliance with applicable state law.

Attorney for Davis School District

Exhibit “A”

Project Area Plan

**INTERLOCAL AGREEMENT
BETWEEN THE REDEVELOPMENT AGENCY
OF FARMINGTON CITY AND THE CENTRAL DAVIS SEWER DISTRICT**

THIS INTERLOCAL AGREEMENT is entered into as of the ____ day of _____, 2021, by and between the **REDEVELOPMENT AGENCY OF FARMINGTON CITY** (the “**Agency**”) and the **CENTRAL DAVIS SEWER DISTRICT** (the “**Taxing Entity**”) (collectively, the “**Parties**”).

RECITALS

A. The Agency was created and continues to operate pursuant to the provisions of the Limited Purpose Local Government Entities – Community Reinvestment Agency Act, Title 17C of the Utah Code (the “**Community Reinvestment Agency Act**”) and its predecessor statutes, and is authorized thereunder to conduct urban renewal, economic development, community development, and community reinvestment activities within Farmington City, Utah, as contemplated by the Community Reinvestment Agency Act; and

B. Pursuant to Resolution No. 2020-03 which was adopted by the Agency November 17th, 2020, Agency will establish the Farmington North Station #3 Community Reinvestment Project Area (the “**Project Area**”) through adoption of the proposed Project Area Plan, a copy of which is attached hereto as **Exhibit “A”** and incorporated herein by this reference (referred to in this Interlocal Agreement as the “**Project Area Plan**,” which includes the legal description and a map of the Project Area); and

C. The Agency desires to encourage, promote and provide for the development in the Project Area of an office park and related complementary uses for the location of businesses providing higher income jobs;

D. Pursuant to Resolution No. 2020-03, which was adopted by the Agency on November 17th, 2020, the Agency will adopt a Project Area Budget for the Project Area (the “**Budget**”), which sets forth the Agency’s estimates and projections for development and generation of property tax revenues for the Project Area; and

E. The Agency may issue one or more bonds, including bonds secured by tax increment revenues, to finance the construction of certain infrastructure improvements for the Project Area; and

F. The Taxing Entity has determined that it is in the best interests of the Taxing Entity to provide certain financial assistance through the use of Tax Increment (as defined below) in connection with the development of the Project Area; and

G. The Agency anticipates using tax increment (as defined in Utah Code Ann. § 17C-1-102(60) (hereinafter “**Tax Increment**”)) from the Project Area, to assist in the development of the Project Area and for funding the implementation of the Project Area Plan; and

H. Utah Code Ann. § 17C-5-204 authorizes the Taxing Entity to consent to the payment by Davis County (the “**County**”) to the Agency of a portion of the Taxing Entity’s share

of Tax Increment generated from the Project Area attributable to the Taxing Entity's tax levy on property within the Project Area, for the purposes set forth herein and in accordance with the terms of this Agreement; and

I. Utah Code Ann. § 11-13-215 further authorizes the Taxing Entity to share its tax and other revenues with the Agency; and

J. In order to facilitate development of and in the Project Area and to provide funds to carry out the Project Area Plan, the Taxing Entity is willing to agree that the Agency receive certain Tax Increment from the Project Area attributable to the Taxing Entity's tax levy, in accordance with the terms of this Agreement; and

K. This Agreement is entered into by the Parties pursuant to the authority of applicable State law, including the Community Reinvestment Agency Act and the Interlocal Cooperation Act, Utah Code Ann. § 11-13-101 *et seq.*, as amended (the "**Cooperation Act**").

NOW THEREFORE, in consideration of the mutual promises set forth herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

1. **Taxing Entity's Consent.**

a. The Parties agree that for purposes of calculation of the Taxing Entity's share of Tax Increment from the Project Area to be paid by the County to the Agency pursuant to this Agreement, the base year shall be 2020, and the base taxable value shall be \$10.34, which base taxable value is subject to adjustment by law in accordance with the provisions of the Community Reinvestment Agency Act. The parties specifically acknowledge that a portion of the base taxable value may include and be based on properties currently assessed under the Farmland Assessment Act, and further, that no adjustments to the base taxable value are contemplated based on this assessment. Pursuant to Section 17C-5-204 of the Community Reinvestment Agency Act and Sections 11-13-202.5 and 11-13-215 of the Cooperation Act, the Taxing Entity hereby agrees and consents that the project area funds collection period (the "**Project Area Funds Collection Period**") shall be twenty (20) years. During the Project Area Funds Collection Period, the Agency shall receive and be paid seventy percent (70%) of the tax increment attributable to the Taxing Entity's tax levy on both real and personal property within the Project Area (the "**Taxing Entity Share**"), for the purpose of providing funds to the Agency to carry out the Project Area Plan. The Project Area Funds Collection Period shall commence with any tax year from 2018 through 2024 at the Agency's election and determination as evidenced by written notice to the Taxing Entity and to the Davis County Auditor and Assessor; provided, however, that the total amount of such Tax Increment attributable to the Taxing Entity's tax levy that is paid to the Agency over the Project Area Funds Collection Period under this Agreement shall not exceed \$ 330,000; and provided further, that any portion of the Taxing Entity's taxes resulting from an increase in the Taxing Entity's tax rate pursuant to applicable hearing procedures (truth in taxation), that occurs after the Effective Date (defined below) of this Agreement, shall not be paid to the Agency unless the Taxing Entity specifically so consents in writing pursuant to an amendment to this Agreement or in a separate agreement. During the Project Area Funds Collection Period described above, the remaining thirty percent (30%) of the Tax Increment attributable to the Taxing Entity's tax levy

on both real and personal property within the Project Area shall be paid by Davis County to the Taxing Entity. All tax increment from the Project Area attributable to the Taxing Entity's tax levy for tax years beyond the Project Area Funds Collection Period shall be paid by Davis County to the Taxing Entity. The calculation of the Taxing Entity's portion of annual Tax Increment to be paid by the County to the Agency shall be made as required by Utah Code Ann. § 17C-1-102(60) (a), using the then current tax levy rate (subject to the limitation set forth above regarding increases in the City's tax rate pursuant to applicable hearing procedures).

b. Davis County shall pay directly to the Agency the Taxing Entity Share in accordance with Utah Code Ann. § 17C-5-204 during the Project Area Funds Collection Period described in Section 1.a. above.

2. **Consent to Budget.** As required by Utah Code § 17C-5-304, the Taxing Entity hereby consents to the Budget as adopted by the Agency.

3. **Authorized Uses of Tax Increment.** The Parties agree that the Agency may use the Taxing Entity Share for any purposes authorized under the Project Area Plan or the Community Reinvestment Agency Act, including but not limited to the cost and maintenance of public infrastructure and other improvements located within the Project Area, incentives to developers or participants within the project area, administrative, overhead, legal, and other operating expenses of the Agency, and any other purposes deemed appropriate by the Agency, all as authorized by the Act.

4. **No Third Party Beneficiary.** Nothing in this Agreement shall create or be read or interpreted to create any rights in or obligations in favor of any person or entity not a party to this Agreement. Except for the Parties to this Agreement, no person or entity is an intended third party beneficiary under this Agreement.

5. **Due Diligence.** Each of the Parties acknowledges for itself that it has performed its own review, investigation, and due diligence regarding the relevant facts concerning the Project Area and Project Area Plan and expected benefits to the community and to the Parties, and each of the Parties relies on its own understanding of the relevant facts and information, after having completed its own due diligence and investigation.

6. **Interlocal Cooperation Act.** In satisfaction of the requirements of the Cooperation Act in connection with this Agreement, the Parties agree as follows:

a. This Agreement shall be authorized and adopted by resolution of the legislative body of each Party pursuant to and in accordance with the provisions of Utah Code Ann. § 11-13-202.5;

b. This Agreement shall be reviewed as to proper form and compliance with applicable law by a duly authorized attorney on behalf of each Party pursuant to and in accordance with the Utah Code Ann. § 11-13-202.5(3);

c. A duly executed original counterpart of this Agreement shall be filed immediately with the keeper of records of each Party pursuant to Utah Code Ann. § 11-13-209;

d. The Chair of the Agency is hereby designated the administrator for all purposes of the Cooperation Act, pursuant to Utah Code Ann. § 11-13-207;

e. The term of this Agreement shall commence on the Effective Date and shall terminate on the date when all of the Taxing Entity Share has been paid to the Agency as provided for herein, or the date when the Agency ceases to receive such Tax Increment pursuant to Section 1 hereof;

f. Following the execution of this Agreement by both Parties, the Agency, at its sole expense, shall cause a notice regarding this Agreement to be published on behalf of both of the Parties in accordance with Utah Code Ann. § 11-13-219 and on behalf of the Agency in accordance with § 17C-5-205;

g. The Parties agree that they do not, by this Agreement, create an interlocal entity;

h. There is no financial or joint or cooperative undertaking and inasmuch as no interlocal entity is created, no budget shall be established or maintained for the same;

i. No real or personal property will be acquired, held or disposed of or used in conjunction with a joint or cooperative undertaking.

7. **Modification and Amendment.** Any modification of or amendment to any provision contained herein shall be effective only if the modification or amendment is in writing and signed by both Parties. Any oral representation or modification concerning this Agreement shall be of no force or effect.

8. **Further Assurance.** Each of the Parties hereto agrees to cooperate in good faith with the other, to execute and deliver such further documents, to adopt any resolutions, to take any other official action, and to perform such other acts as may be reasonably necessary or appropriate to consummate and carry into effect the transactions contemplated under this Agreement.

9. **Governing Law.** This Agreement shall be governed by, and construed and interpreted in accordance with, the laws of the State of Utah.

10. **Interpretation.** The terms “include,” “includes,” “including” when used herein shall be deemed in each case to be followed by the words “without limitation.”

11. **Severability.** If any provision of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction or as a result of future legislative action, and if the rights or obligations of any Party hereto under this Agreement will not be materially and adversely affected thereby,

a. such holding or action shall be strictly construed;

b. such provision shall be fully severable;

c. this Agreement shall be construed and enforced as if such provision had never comprised a part hereof;

d. the remaining provisions of this Agreement shall remain in full force and effect and shall not be affected by the invalid or unenforceable provision or by its severance from this Agreement; and

e. in lieu of such illegal, invalid, or unenforceable provision, the Parties hereto shall use commercially reasonable efforts to negotiate in good faith a substitute, legal, valid and enforceable provision that most nearly effects the Parties' intent in entering into this Agreement.

12. **Incorporation of Recitals.** The recitals set forth above are hereby incorporated by reference as part of this Agreement.

13. **Incorporation of Exhibits.** The exhibits to this Agreement are hereby incorporated by reference as part of this Agreement.

14. **Effective Date.** This Agreement shall become effective upon the publication of the summary of this Agreement as provided by law.

15. **Entire Agreement.** This Agreement and its exhibits constitute the entire agreement between the Parties hereto pertaining to the subject matter hereof, and the final, complete and exclusive expression of the terms and conditions thereof. All prior agreements, representations, negotiations and understandings of the Parties hereto, oral or written, express or implied, are hereby superseded and merged herein.

16. **Waivers.** No waiver of any breach of any covenant or provision herein contained shall be deemed a waiver of any preceding or succeeding breach thereof or of any other covenant or provision herein contained. No extension of time for performance of any obligation or act shall be deemed an extension of the time for performance of any other obligation or act.

17. **Assignment.** No Party may assign its rights, duties or obligations under this Agreement without the prior written consent first being obtained from all Parties.

18. **Authorization.** Each of the Parties hereto represents and warrants to the other that the warranting Party has taken all steps, including the publication of public notice where necessary, in order to authorize the execution, delivery, and performance of this Agreement by each such Party.

19. **Counterparts.** This Agreement may be executed in duplicate originals, each of which shall be deemed an original.

20. **Housing Component.** In the event the housing projects within CRA 3 exceed the planned housing units as noted in the plan, (540 units) by 10% or more, the district will be allowed to reduce its tax increment participation rate to 60%. The reduced

increment would continue for the balance of the 20-year period or until the respective increment caps are reached.

ENTERED into as of the day and year first above written.

**REDEVELOPMENT AGENCY OF
FARMINGTON CITY**

By: _____
Chair

Attest:

By: _____
Secretary

Attorney Review for the Agency:

The undersigned, as counsel for the Redevelopment Agency of Farmington City, has reviewed the foregoing Interlocal Agreement and finds it to be in proper form and in compliance with applicable state law.

Attorney for Redevelopment Agency
of Farmington City

ADDITIONAL SIGNATURES TO INTERLOCAL AGREEMENT

CENTRAL DAVIS SEWER DISTRICT

By: _____
Chair
Central Davis Sewer District Board

ATTEST:

Jill Jones
District Manager
Central Davis Sewer District

Attorney Review for the Taxing Entity:

The undersigned, an attorney for the Central Davis Sewer District, has reviewed the foregoing Interlocal Agreement and finds it to be in proper form and in compliance with applicable state law.

Attorney for Central Davis Sewer District

Exhibit “A”

Project Area Plan

**INTERLOCAL AGREEMENT
BETWEEN THE REDEVELOPMENT AGENCY
OF FARMINGTON CITY AND THE MOSQUITO ABATEMENT DISTRICT - DAVIS**

THIS INTERLOCAL AGREEMENT is entered into as of the ____ day of _____, 2018, by and between the **REDEVELOPMENT AGENCY OF FARMINGTON CITY** (the “**Agency**”) and the **MOSQUITO ABATEMENT DISTRICT - DAVIS** (the “**Taxing Entity**”) (collectively, the “**Parties**”).

RECITALS

A. The Agency was created and continues to operate pursuant to the provisions of the Limited Purpose Local Government Entities – Community Reinvestment Agency Act, Title 17C of the Utah Code (the “**Community Reinvestment Agency Act**”) and its predecessor statutes, and is authorized thereunder to conduct urban renewal, economic development, community development, and community reinvestment activities within Farmington City, Utah, as contemplated by the Community Reinvestment Agency Act; and

B. Pursuant to Resolution No. 2020-03 which was adopted by the Agency November 17th, 2020, Agency will establish the Farmington North Station #3 Community Reinvestment Project Area (the “**Project Area**”) through adoption of the proposed Project Area Plan, a copy of which is attached hereto as **Exhibit “A”** and incorporated herein by this reference (referred to in this Interlocal Agreement as the “**Project Area Plan**,” which includes the legal description and a map of the Project Area); and

D. Pursuant to Resolution No. 2020-03, which was adopted by the Agency on November 17th, 2020, the Agency will adopt a Project Area Budget for the Project Area (the “**Budget**”), which sets forth the Agency’s estimates and projections for development and generation of property tax revenues for the Project Area; and

E. The Agency may issue one or more bonds, including bonds secured by tax increment revenues, to finance the construction of certain infrastructure improvements for the Project Area; and

F. The Taxing Entity has determined that it is in the best interests of the Taxing Entity to provide certain financial assistance through the use of Tax Increment (as defined below) in connection with the development of the Project Area; and

G. The Agency anticipates using tax increment (as defined in Utah Code Ann. § 17C-1-102(60) (hereinafter “**Tax Increment**”)) from the Project Area, to assist in the development of the Project Area and for funding the implementation of the Project Area Plan; and

H. Utah Code Ann. § 17C-5-204 authorizes the Taxing Entity to consent to the payment by Davis County (the “**County**”) to the Agency of a portion of the Taxing Entity’s share of Tax Increment generated from the Project Area attributable to the Taxing Entity’s tax levy on property within the Project Area, for the purposes set forth herein and in accordance with the terms of this Agreement; and

I. Utah Code Ann. § 11-13-215 further authorizes the Taxing Entity to share its tax and other revenues with the Agency; and

J. In order to facilitate development of and in the Project Area and to provide funds to carry out the Project Area Plan, the Taxing Entity is willing to agree that the Agency receive certain Tax Increment from the Project Area attributable to the Taxing Entity's tax levy, in accordance with the terms of this Agreement; and

K. This Agreement is entered into by the Parties pursuant to the authority of applicable State law, including the Community Reinvestment Agency Act and the Interlocal Cooperation Act, Utah Code Ann. § 11-13-101 *et seq.*, as amended (the "**Cooperation Act**").

NOW THEREFORE, in consideration of the mutual promises set forth herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

1. **Taxing Entity's Consent.**

a. The Parties agree that for purposes of calculation of the Taxing Entity's share of Tax Increment from the Project Area to be paid by the County to the Agency pursuant to this Agreement, the base year shall be 2021, and the base taxable value shall be \$10.34, which base taxable value is subject to adjustment by law in accordance with the provisions of the Community Reinvestment Agency Act. The parties specifically acknowledge that a portion of the base taxable value may include and be based on properties currently assessed under the Farmland Assessment Act, and further, that no adjustments to the base taxable value are contemplated based on this assessment. Pursuant to Section 17C-5-204 of the Community Reinvestment Agency Act and Sections 11-13-202.5 and 11-13-215 of the Cooperation Act, the Taxing Entity hereby agrees and consents that the project area funds collection period (the "**Project Area Funds Collection Period**") shall be twenty (20) years. During the Project Area Funds Collection Period, the Agency shall receive and be paid seventy percent (70%) of the tax increment attributable to the Taxing Entity's tax levy on both real and personal property within the Project Area (the "**Taxing Entity Share**"), for the purpose of providing funds to the Agency to carry out the Project Area Plan. The Project Area Funds Collection Period shall commence with any tax year from 2022 through 2027 at the Agency's election and determination as evidenced by written notice to the Taxing Entity and to the Davis County Auditor and Assessor; provided, however, that the total amount of such Tax Increment attributable to the Taxing Entity's tax levy that is paid to the Agency over the Project Area Funds Collection Period under this Agreement shall not exceed \$ 225,000; and provided further, that any portion of the Taxing Entity's taxes resulting from an increase in the Taxing Entity's tax rate pursuant to applicable hearing procedures (truth in taxation), that occurs after the Effective Date (defined below) of this Agreement, shall not be paid to the Agency unless the Taxing Entity specifically so consents in writing pursuant to an amendment to this Agreement or in a separate agreement. During the Project Area Funds Collection Period described above, the remaining thirty percent (30%) of the Tax Increment attributable to the Taxing Entity's tax levy on both real and personal property within the Project Area shall be paid by Davis County to the Taxing Entity. All tax increment from the Project Area attributable to the Taxing Entity's tax levy for tax years beyond the Project Area Funds Collection Period shall be paid by Davis County to the Taxing Entity. The calculation of the Taxing Entity's portion of annual Tax Increment to be

paid by the County to the Agency shall be made as required by Utah Code Ann. § 17C-1-102(60) (a), using the then current tax levy rate (subject to the limitation set forth above regarding increases in the City's tax rate pursuant to applicable hearing procedures).

b. Davis County shall pay directly to the Agency the Taxing Entity Share in accordance with Utah Code Ann. § 17C-5-204 during the Project Area Funds Collection Period described in Section 1.a. above.

2. **Consent to Budget.** As required by Utah Code § 17C-5-304, the Taxing Entity hereby consents to the Budget as adopted by the Agency.

3. **Authorized Uses of Tax Increment.** The Parties agree that the Agency may use the Taxing Entity Share for any purposes authorized under the Project Area Plan or the Community Reinvestment Agency Act, including but not limited to the cost and maintenance of public infrastructure and other improvements located within the Project Area, incentives to developers or participants within the project area, administrative, overhead, legal, and other operating expenses of the Agency, and any other purposes deemed appropriate by the Agency, all as authorized by the Act.

4. **No Third Party Beneficiary.** Nothing in this Agreement shall create or be read or interpreted to create any rights in or obligations in favor of any person or entity not a party to this Agreement. Except for the Parties to this Agreement, no person or entity is an intended third party beneficiary under this Agreement.

5. **Due Diligence.** Each of the Parties acknowledges for itself that it has performed its own review, investigation, and due diligence regarding the relevant facts concerning the Project Area and Project Area Plan and expected benefits to the community and to the Parties, and each of the Parties relies on its own understanding of the relevant facts and information, after having completed its own due diligence and investigation.

6. **Interlocal Cooperation Act.** In satisfaction of the requirements of the Cooperation Act in connection with this Agreement, the Parties agree as follows:

a. This Agreement shall be authorized and adopted by resolution of the legislative body of each Party pursuant to and in accordance with the provisions of Utah Code Ann. § 11-13-202.5;

b. This Agreement shall be reviewed as to proper form and compliance with applicable law by a duly authorized attorney on behalf of each Party pursuant to and in accordance with the Utah Code Ann. § 11-13-202.5(3);

c. A duly executed original counterpart of this Agreement shall be filed immediately with the keeper of records of each Party pursuant to Utah Code Ann. § 11-13-209;

d. The Chair of the Agency is hereby designated the administrator for all purposes of the Cooperation Act, pursuant to Utah Code Ann. § 11-13-207;

e. The term of this Agreement shall commence on the Effective Date and shall terminate on the date when all of the Taxing Entity Share has been paid to the Agency as provided for herein, or the date when the Agency ceases to receive such Tax Increment pursuant to Section 1 hereof;

f. Following the execution of this Agreement by both Parties, the Agency, at its sole expense, shall cause a notice regarding this Agreement to be published on behalf of both of the Parties in accordance with Utah Code Ann. § 11-13-219 and on behalf of the Agency in accordance with § 17C-5-205;

g. The Parties agree that they do not, by this Agreement, create an interlocal entity;

h. There is no financial or joint or cooperative undertaking and no budget shall be established or maintained;

i. No real or personal property will be acquired, held or disposed of or used in conjunction with a joint or cooperative undertaking.

7. **Modification and Amendment.** Any modification of or amendment to any provision contained herein shall be effective only if the modification or amendment is in writing and signed by both Parties. Any oral representation or modification concerning this Agreement shall be of no force or effect.

8. **Further Assurance.** Each of the Parties hereto agrees to cooperate in good faith with the other, to execute and deliver such further documents, to adopt any resolutions, to take any other official action, and to perform such other acts as may be reasonably necessary or appropriate to consummate and carry into effect the transactions contemplated under this Agreement.

9. **Governing Law.** This Agreement shall be governed by, and construed and interpreted in accordance with, the laws of the State of Utah.

10. **Interpretation.** The terms “include,” “includes,” “including” when used herein shall be deemed in each case to be followed by the words “without limitation.”

11. **Severability.** If any provision of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction or as a result of future legislative action, and if the rights or obligations of any Party hereto under this Agreement will not be materially and adversely affected thereby,

a. such holding or action shall be strictly construed;

b. such provision shall be fully severable;

c. this Agreement shall be construed and enforced as if such provision had never comprised a part hereof;

d. the remaining provisions of this Agreement shall remain in full force and effect and shall not be affected by the invalid or unenforceable provision or by its severance from this Agreement; and

e. in lieu of such illegal, invalid, or unenforceable provision, the Parties hereto shall use commercially reasonable efforts to negotiate in good faith a substitute, legal, valid and enforceable provision that most nearly effects the Parties' intent in entering into this Agreement.

12. **Incorporation of Recitals.** The recitals set forth above are hereby incorporated by reference as part of this Agreement.

13. **Incorporation of Exhibits.** The exhibits to this Agreement are hereby incorporated by reference as part of this Agreement.

14. **Effective Date.** This Agreement shall become effective upon the publication of the summary of this Agreement as provided by law.

15. **Entire Agreement.** This Agreement and its exhibits constitute the entire agreement between the Parties hereto pertaining to the subject matter hereof, and the final, complete and exclusive expression of the terms and conditions thereof. All prior agreements, representations, negotiations and understandings of the Parties hereto, oral or written, express or implied, are hereby superseded and merged herein.

16. **Waivers.** No waiver of any breach of any covenant or provision herein contained shall be deemed a waiver of any preceding or succeeding breach thereof or of any other covenant or provision herein contained. No extension of time for performance of any obligation or act shall be deemed an extension of the time for performance of any other obligation or act.

17. **Assignment.** No Party may assign its rights, duties or obligations under this Agreement without the prior written consent first being obtained from all Parties.

18. **Authorization.** Each of the Parties hereto represents and warrants to the other that the warranting Party has taken all steps, including the publication of public notice where necessary, in order to authorize the execution, delivery, and performance of this Agreement by each such Party.

19. **Counterparts.** This Agreement may be executed in duplicate originals, each of which shall be deemed an original.

ENTERED into as of the day and year first above written.

**REDEVELOPMENT AGENCY OF
FARMINGTON CITY**

By: ____

Chair

Attest:

By: _____
Secretary

Attorney Review for the Agency:

The undersigned, as counsel for the Redevelopment Agency of Farmington City, has reviewed the foregoing Interlocal Agreement and finds it to be in proper form and in compliance with applicable state law.

Attorney for Redevelopment Agency
of Farmington City

ADDITIONAL SIGNATURES TO INTERLOCAL AGREEMENT

**MOSQUITO ABATEMENT DISTRICT -
DAVIS**

By: _____
Chair
Mosquito Abatement District - Davis Board

ATTEST:

Gary Hatch
General Manager
Mosquito Abatement District - Davis

Attorney Review for the Taxing Entity:

The undersigned, an attorney for the Mosquito Abatement District - Davis, has reviewed the foregoing Interlocal Agreement and finds it to be in proper form and in compliance with applicable state law.

Attorney for Mosquito Abatement District - Davis

Exhibit “A”

Project Area Plan

**INTERLOCAL AGREEMENT
BETWEEN THE FARMINGTON CITY REDEVELOPMENT AGENCY
AND DAVIS COUNTY**

THIS INTERLOCAL AGREEMENT BETWEEN THE FARMINGTON CITY REDEVELOPMENT AGENCY AND DAVIS COUNTY (this "Agreement") is entered into by and between the **FARMINGTON CITY REDEVELOPMENT AGENCY** (the "Agency") and **DAVIS COUNTY** (the "County") (collectively, the "Parties").

RECITALS

- A. The Agency was created pursuant to the provisions of the Limited Purpose Local Government Entities - Community Development and Renewal Agencies Act, Title 17C of the Utah Code (the "Act"), and is authorized thereunder to conduct community development activities within Farmington City, Utah, as contemplated by the Act; and
- B. On November 17th, 2020, the Agency authorized the preparation of the Farmington North Station Community Reinvestment Project Area 3 (the "Project Area"), and has prepared a draft community development project area plan for the Project Area, a copy of which is attached hereto as exhibit "A" and incorporated herein by this reference (referred to in this Agreement as the "Project Area Plan," which includes the legal description and a map of the Project Area), with goals to cultivate the development of a class A office employment center in the in the area north of station park.
- C. The Agency and Farmington City intend to establish the Project Area through adoption of the proposed Project Area Plan prior to August 30st 2021; and
- D. The County and the Agency have determined that it is in the best interests of the County to provide certain financial assistance through the use of Tax Increment (as defined below) in connection with the development of the Project as set forth in the Project Area Plan; and
- E. The Agency anticipates providing tax increment (as defined in Utah Code Ann. § 17C-1-102 (hereinafter "Tax Increment")), created by the Project, to assist in the development and completion of the Project as provided in the Project Area Plan; and
- F. Utah Code Ann. § 17C-5-204(1)(a) authorizes the County to consent to the payment to the Agency of a portion of the County's share of Tax Increment generated from the Project Area for the purposes set forth herein; and
- G. Utah Code Ann. § 11-13-215 further authorizes the County to share its tax and other revenues with the Agency; and
- H. In order to facilitate development of the Project, the County desires to authorize the payment to the Agency of a portion of the County's share of Tax Increment generated by the Project Area in accordance with the terms of this Agreement; and
- I. The provisions of applicable Utah State law shall govern this Agreement, including the Act and the Interlocal Cooperation Act, Utah Code Ann. § 11-13-101 et seq. as amended (the "Cooperation Act").

NOW THEREFORE, in consideration of the mutual promises set forth herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

1. County's Consent.

- a. Pursuant to Utah Code Ann. §§ 17C-4-204(4) and 11-13-215, the County hereby agrees and

consents that the Agency shall be paid seventy percent (70%) of the County share of the Tax Increment from the Project Area (the "County Share") for t w e n t y (20) years, starting no later than December 31, 2027, with the base year being 2020. Based upon review of the County and Utah State Tax Commission records, the Parties believe that the 2020 base of the Project Area is approximately \$1,125,177 dollars , which base taxable value is subject to adjustment by law in accordance with the provisions of the Act. The County Share shall be used for the purposes set forth in Utah Code Ann. § 17C-5-204(3) as reflected herein and for the purpose of providing funds to the Agency to carry out the Project Area Plan and shall be disbursed as specified in the Project Area Plan. The calculation of the annual Tax Increment shall be made as required by Utah Code Ann. § 17C-5-204(4), using the County's then current tax levy rate.

- b. The County shall pay directly to the Agency the County Share in accordance with Utah Code Ann. § 17C-5-206 for the 20-year period described in Section 1.a. above.
- c. Notwithstanding the foregoing, if the Agency receives less than the specified twenty (20) years Tax Increment from the Project Area sufficient to retire, pay, or otherwise satisfy all of the payment obligations of the Agency with regard to the Project, including, but not limited to, tenant attraction, debt service on any bonds issued to finance Project costs or the maximum amount the Agency has agreed to contribute to the cost of infrastructure, the Agency will either (i) cease collecting the County Share under this Agreement, or (ii) renegotiate this Agreement with the County to provide for the payment of the County Share for the remainder of all or a portion of the originally contemplated 20-year term of this Agreement. It is the intent of the Parties that the payment and use of Tax Increment from the Project Area for eligible Project costs will not extend over a period longer than twenty (20) years. In no case shall the total County Tax Increment collected by the Agency exceed three million five-hundred thousand dollars (\$3,500,000.00), and in no case shall the total County Library Tax Increment collected by the Agency exceed six-hundred fifty thousand dollars (\$650,000.00).
- d. Notwithstanding anything to the contrary in this Agreement, in the Project Area Plan, in the Act, or in the Cooperation Act, none of the County Share shall be used for environmental cleanup or remediation of water or aquifers or for the purchase or development of municipal and/or industrial water, including, but not limited to, purchase, treatment, or storage other than infrastructure owned and used by Farmington City in its delivery of water.

2. City's Contribution of Tax Increment Financing.

The Agency agrees that the City's participation in the Project area shall require seventy percent (70%) of the City's share of the Tax Increment from the Project Area (the "City Share"). The City Share shall be paid to the Agency for twenty (20) years, with the base year being 2020.

3. Amendments to Project Area Plan.

In the event the Agency or the City makes any substantive changes to the Project Area Plan, then the Agency shall provide the County with a copy of such revised Project Area Plan.

4. Authorized Uses of Tax Increment.

Except as otherwise provided in this Agreement, the Parties agree that the Agency may apply the County Share to the payment of any of the components of the Project as described herein and contemplated in the Project Area Plan, including, but not limited to tenant attraction, the cost and maintenance of public infrastructure and other improvements located within the Project Area, site preparation, and administrative costs, as authorized by the Act.

5. County Administration Fee.

The Agency agrees to remit to the County 3% of the total annual Tax Increment from the County (the "County Administration Fee"), which is actually paid to the Agency during the Tax Increment collection period, which period is described in Section 1 of this Agreement. The purpose of the County Administration Fee is to further help the County to offset its costs related to administration and management of the Project Area. The County Administration Fee shall not be paid out of, or relate in any way to the 30% portion of the County's Tax Increment that is not paid to the Agency.

6. Project Area Benchmark.

In the event the Project Area does not have a minimum of 200,000 square feet of Class A office space by Tax Year 2037, the County's participation will drop to 50% for the remaining tax increment financing period.

7. Effective Date of This Agreement.

This Agreement shall become effective as specified in Title 17C, Chapter 5, Section 205, Subsection (3)

8. No Third Party Beneficiary.

Nothing in this Agreement shall create or be read or interpreted to create any rights in or obligations in favor of any person or entity not a party to this Agreement. Except for the Parties to this Agreement, no person or entity is an intended third party beneficiary under this Agreement.

9. Due Diligence.

Each of the Parties acknowledge for itself that it has performed its own review, investigation, and due diligence regarding the relevant facts concerning the Project Area and Plan and expected benefits to the community and to the Parties, and each of the parties rely on its own understanding of the relevant facts and information, after having completed its own due diligence and investigation.

10. Interlocal Cooperation Act.

In satisfaction of the requirements of the Cooperation Act in connection with this Agreement, the Parties agree as follows:

- a. This Agreement shall be authorized and adopted by resolution of the legislative body of each Party pursuant to and in accordance with the provisions of Utah Code Ann. §11-13-202.5;
- b. This Agreement shall be reviewed as to proper form and compliance with applicable law by a duly authorized attorney on behalf of each Party pursuant to and in accordance with the Utah Code Ann. § 11-13-202.5(3);
- c. A duly executed original counterpart of this Agreement shall be filed immediately with the keeper of records of each Party pursuant to Utah Code Ann. §11-13-209;
- d. The Chair of the Agency is hereby designated the administrator for all purposes of the Cooperation Act, pursuant to Utah Code Ann. § 11-13-207;
- e. The term of this Agreement shall commence on the date of full execution of this Agreement by both Parties and its publication as provided in Utah Code Ann. § 17C-5-205(3), and shall continue through the date on which all of the County Share has been paid to and disbursed by the Agency as provide for herein or the Agency ceases to receive such Tax Increment pursuant to Section 1.c. hereof, but in any event, unless amended, this Agreement shall terminate no later than December 31, 2044;
- f. Following the execution of this Agreement by both Parties, the Agency shall cause a notice

regarding this Agreement to be published on behalf of both of the Parties in accordance with Utah Code Ann. § 11-13-219 and on behalf of the Area in accordance with § 17C-5-205;

- g. The Parties agree that they do not, by this Agreement, create an interlocal entity;
- h. There is no financial or joint or cooperative undertaking and no joint or cooperative budget shall be established or maintained;
- i. No real or personal property will be acquired, held or disposed of or used in conjunction with a joint or cooperative undertaking.

11. Modification and Amendment.

Any modification of or amendment to any provision contained herein shall be effective only if the modification or amendment is in writing and signed by both Parties. Any oral representation or modification concerning this Agreement shall be of no force or effect.

12. Further Assurance.

Each of the Parties hereto agrees to cooperate in good faith with the other, to execute and deliver such further documents, to adopt any resolutions, to take any other official action, and to perform such other acts as may be reasonably necessary or appropriate to consummate and carry into effect the transactions contemplated under this Agreement.

13. Governing Law.

This Agreement shall be governed by, and construed and interpreted in accordance with, the laws of the State of Utah.

14. Severability.

If any provision of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction or as a result of future legislative action, and if the rights or obligations of any Party hereto under this Agreement will not be materially and adversely affected thereby,

- a. such holding or action shall be strictly construed;
- b. such provision shall be fully severable;
- c. this Agreement shall be construed and enforced as if such provision had never comprised a part hereof;
- d. the remaining provisions of this Agreement shall remain in full force and effect and shall not be affected by the invalid or unenforceable provision or by its severance from this Agreement; and
- e. in lieu of such illegal, invalid, or unenforceable provision, the Parties hereto shall use commercially reasonable efforts to negotiate in good faith a substitute, legal, valid and enforceable provision that most nearly effects the Parties' intent in entering into this Agreement.

15. Incorporation of Recitals.

The recitals set forth above are hereby incorporated by reference as part of this Agreement.

15. Notices.

Any notices that may or must be sent under this Agreement should be delivered, by hand delivery or by United States mail, postage prepaid, as follows, or at an address subsequently amended and provided in writing to the other party:

<u>To the Agency:</u> 	<u>To the County:</u> Davis County Attn: Chair, Davis County Commission P.O. Box 618 Farmington, UT 84025
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16. Governmental Immunity.

The Parties recognize and acknowledge that each Party is covered by the Governmental Immunity Act of Utah, codified at Section 63G-7-101, et seq., Utah Code Annotated, as amended, and nothing herein is intended to waive or modify any and all rights, defenses or provisions provided therein. Officers and employees performing services pursuant to this Agreement shall be deemed officers and employees of the Party employing their services, even if performing functions outside of the territorial limits of such party and shall be deemed officers and employees of such Party under the provisions of the Utah Governmental Immunity Act. Each Party shall be responsible and shall defend the action of its own employees, negligent or otherwise, performed pursuant to the provisions of this Agreement.

17. Benefits.

The Parties acknowledge, understand, and agree that the respective representatives, agents, contractors, officers, officials, members, employees, volunteers, and/or any person or persons under the supervision, direction, or control of a Party are not in any manner or degree employees of the other Party and shall have no right to and shall not be provided with any benefits from the other Party. County employees, while providing or performing services under or in connection with this Agreement, shall be deemed employees of the County for all purposes, including, but not limited to, workers compensation, withholding, salary, insurance, and benefits. City employees, while providing or performing services under or in connection with this Agreement, shall be deemed employees of the City for all purposes, including, but not limited to, workers compensation, withholding, salary, insurance, and benefits.

18. Waivers or Modification.

No waiver or failure to enforce one or more parts or provisions of this Agreement shall be construed as a continuing waiver of any part or provision of this Agreement, which shall preclude the Parties from receiving the full, bargained for benefit under the terms and provisions of this Agreement. A waiver or modification of any of the provisions of this Agreement or of any breach thereof shall not constitute a waiver or modification of any other provision or breach, whether or not similar, and any such waiver or modification shall not constitute a continuing waiver. The rights of and available to each of the Parties under this Agreement cannot be waived or released verbally, and may be waived or released only by an instrument in writing, signed by the Party whose rights will be diminished or adversely affected by the waiver.

19. Binding Effect; Entire Agreement.

This Agreement is binding upon the Parties and their officers, directors, employees, agents, representatives and to all persons or entities claiming by, through or under them. This Agreement, including all attachments, if any, constitutes and/or represents the entire agreement and understanding between the Parties with respect to the subject matter herein. There are no other written or oral agreements, understandings, or promises between the Parties that are not set forth herein. Unless otherwise set forth herein, this Agreement supersedes and cancels all prior agreements, negotiations, and understandings between the Parties regarding the subject matter

herein, whether written or oral, which are void, nullified and of no legal effect if they are not recited or addressed in this Agreement.

20. Force Majeure.

In the event that either Party shall be delayed or hindered in or prevented from the performance of any act required under this Agreement by reason of acts of God, acts of the United States Government, the State of Utah Government, fires, floods, strikes, lock-outs, labor troubles, inability to procure materials, failure of power, inclement weather, restrictive governmental laws, ordinances, rules, regulations or otherwise, delays in or refusals to issue necessary governmental permits or licenses, riots, insurrection, wars, or other reasons of a like nature not the fault of the Party delayed in performing work or doing acts required under the terms of this Agreement, then performance of such act(s) shall be excused for the period of the delay and the period for the performance of any such act shall be extended for a period equivalent to the period of such delay, without any liability to the delayed Party.

21. Assignment Restricted.

The Parties agree that neither this Agreement nor the duties, obligations, responsibilities, or privileges herein may be assigned, transferred, or delegated, in whole or in part, without the prior written consent of both of the Parties.

22. Counterparts.

This Agreement may be executed in any number of counterparts, each of which when so executed and delivered, shall be deemed an original, and all such counterparts taken together shall constitute one and the same Agreement.

(remainder of page left intentionally blank)

AGENCY

Attest:

Jim Talbot, CHAIR

Holly Gadd, Secretary

**FARMINGTON NORTH STATION COMMUNITY REINVESTMENT PROJECT
AREA 3 AND THE FARMINGTON CITY REDEVELOPMENT AGENCY**

Attorney Review for the Agency:

The undersigned, as counsel for the Farmington City Redevelopment Agency, has reviewed the foregoing Interlocal Agreement and finds it to be in proper form and in compliance with applicable state law.

**Attorney for Farmington North Station Community Reinvestment Project
Area 3 And Farmington City Redevelopment Agency**

Todd Godfrey, Agency Attorney

DAVIS COUNTY

Bob J Stevenson, Chair
Board of Davis County Commissioners

ATTEST:

Curtis Koch, Davis County Clerk/Auditor

Attorney Review For the County

The undersigned, an attorney for the _____, has reviewed the foregoing Interlocal Agreement and finds it to be in proper form and in compliance with applicable state law.

Attorney for Davis County

Exhibit A
Project Area Plan

**INTERLOCAL AGREEMENT
BETWEEN THE REDEVELOPMENT AGENCY
OF FARMINGTON CITY AND THE WEBER BASIN WATER CONSERVANCY
DISTRICT**

THIS INTERLOCAL AGREEMENT is entered into as of the 30 day of September, 2021, by and between the **REDEVELOPMENT AGENCY OF FARMINGTON CITY** (the “**Agency**”) and the **WEBER BASIN WATER CONSERVANCY DISTRICT** (the “**Taxing Entity**”) (collectively, the “**Parties**”).

RECITALS

A. The Agency was created and continues to operate pursuant to the provisions of the Limited Purpose Local Government Entities – Community Reinvestment Agency Act, Title 17C of the Utah Code (the “**Community Reinvestment Agency Act**”) and its predecessor statutes, and is authorized thereunder to conduct urban renewal, economic development, community development, and community reinvestment activities within Farmington City, Utah, as contemplated by the Community Reinvestment Agency Act; and

B. Pursuant to Resolution No. 2020-03 which was adopted by the Agency November 17th, 2020, Agency will establish the Farmington North Station #3 Community Reinvestment Project Area (the “**Project Area**”) through adoption of the proposed Project Area Plan, a copy of which is attached hereto as **Exhibit “A”** and incorporated herein by this reference (referred to in this Interlocal Agreement as the “**Project Area Plan**,” which includes the legal description and a map of the Project Area); and

C. The Agency desires to encourage, promote and provide for the development in the Project Area of an office park and related complementary uses for the location of businesses providing higher income jobs;

D. Pursuant to Resolution No. 2020-03, which was adopted by the Agency on November 17th, 2020, the Agency will adopt a Project Area Budget for the Project Area (the “**Budget**”), which sets forth the Agency’s estimates and projections for development and generation of property tax revenues for the Project Area; and

E. The Agency may issue one or more bonds, including bonds secured by tax increment revenues, to finance the construction of certain infrastructure improvements for the Project Area; and

F. The Taxing Entity has determined that it is in the best interests of the Taxing Entity to provide certain financial assistance through the use of Tax Increment (as defined below) in connection with the development of the Project Area; and

G. The Agency anticipates using tax increment (as defined in Utah Code Ann. § 17C-1-102(60) (hereinafter “**Tax Increment**”)) from the Project Area, to assist in the development of the Project Area and for funding the implementation of the Project Area Plan; and

H. Utah Code Ann. § 17C-5-204 authorizes the Taxing Entity to consent to the payment by Davis County (the “County”) to the Agency of a portion of the Taxing Entity’s share of Tax Increment generated from the Project Area attributable to the Taxing Entity’s tax levy on property within the Project Area, for the purposes set forth herein and in accordance with the terms of this Agreement; and

I. Utah Code Ann. § 11-13-215 further authorizes the Taxing Entity to share its tax and other revenues with the Agency; and

J. In order to facilitate development of and in the Project Area and to provide funds to carry out the Project Area Plan, the Taxing Entity is willing to agree that the Agency receive certain Tax Increment from the Project Area attributable to the Taxing Entity’s tax levy, in accordance with the terms of this Agreement; and

K. This Agreement is entered into by the Parties pursuant to the authority of applicable State law, including the Community Reinvestment Agency Act and the Interlocal Cooperation Act, Utah Code Ann. § 11-13-101 *et seq.*, as amended (the “Cooperation Act”).

NOW THEREFORE, in consideration of the mutual promises set forth herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

1. **Taxing Entity’s Consent.**

a. The Parties agree that for purposes of calculation of the Taxing Entity’s share of Tax Increment from the Project Area to be paid by the County to the Agency pursuant to this Agreement, the base year shall be 2020, and the base taxable value shall be \$10.34, which base taxable value is subject to adjustment by law in accordance with the provisions of the Community Reinvestment Agency Act. The parties specifically acknowledge that a portion of the base taxable value may include and be based on properties currently assessed under the Farmland Assessment Act, and further, that no adjustments to the base taxable value are contemplated based on this assessment. Pursuant to Section 17C-5-204 of the Community Reinvestment Agency Act and Sections 11-13-202.5 and 11-13-215 of the Cooperation Act, the Taxing Entity hereby agrees and consents that the project area funds collection period (the “**Project Area Funds Collection Period**”) shall be twenty (20) years. During the Project Area Funds Collection Period, the Agency shall receive and be paid seventy percent (70%) of the tax increment attributable to the Taxing Entity’s tax levy on both real and personal property within the Project Area (the “**Taxing Entity Share**”), for the purpose of providing funds to the Agency to carry out the Project Area Plan. The Project Area Funds Collection Period shall commence with any tax year from 2021 through 2027 at the Agency’s election and determination as evidenced by written notice to the Taxing Entity and to the Davis County Auditor and Assessor; provided, however, that the total amount of such Tax Increment attributable to the Taxing Entity’s tax levy that is paid to the Agency over the Project Area Funds Collection Period under this Agreement shall not exceed \$ 300,000; and provided further, that any portion of the Taxing Entity’s taxes resulting from an increase in the Taxing Entity’s tax rate pursuant to applicable hearing procedures (truth in taxation), that occurs after the Effective Date (defined below) of this Agreement, shall not be paid to the Agency unless the Taxing Entity specifically so consents in writing pursuant to an amendment to this Agreement or

in a separate agreement. During the Project Area Funds Collection Period described above, the remaining thirty percent (30%) of the Tax Increment attributable to the Taxing Entity's tax levy on both real and personal property within the Project Area shall be paid by Davis County to the Taxing Entity. All tax increment from the Project Area attributable to the Taxing Entity's tax levy for tax years beyond the Project Area Funds Collection Period shall be paid by Davis County to the Taxing Entity. The calculation of the Taxing Entity's portion of annual Tax Increment to be paid by the County to the Agency shall be made as required by Utah Code Ann. § 17C-1-102(60) (a), using the then current tax levy rate (subject to the limitation set forth above regarding increases in the City's tax rate pursuant to applicable hearing procedures).

b. Davis County shall pay directly to the Agency the Taxing Entity Share in accordance with Utah Code Ann. § 17C-5-204 during the Project Area Funds Collection Period described in Section 1.a. above.

2. **Consent to Budget.** As required by Utah Code § 17C-5-304, the Taxing Entity hereby consents to the Budget as adopted by the Agency.

3. **Authorized Uses of Tax Increment.** The Parties agree that the Agency may use the Taxing Entity Share for any purposes authorized under the Project Area Plan or the Community Reinvestment Agency Act, including but not limited to the cost and maintenance of public infrastructure and other improvements located within the Project Area, incentives to developers or participants within the project area, administrative, overhead, legal, and other operating expenses of the Agency, and any other purposes deemed appropriate by the Agency, all as authorized by the Act.

4. **No Third Party Beneficiary.** Nothing in this Agreement shall create or be read or interpreted to create any rights in or obligations in favor of any person or entity not a party to this Agreement. Except for the Parties to this Agreement, no person or entity is an intended third party beneficiary under this Agreement.

5. **Due Diligence.** Each of the Parties acknowledges for itself that it has performed its own review, investigation, and due diligence regarding the relevant facts concerning the Project Area and Project Area Plan and expected benefits to the community and to the Parties, and each of the Parties relies on its own understanding of the relevant facts and information, after having completed its own due diligence and investigation.

6. **Interlocal Cooperation Act.** In satisfaction of the requirements of the Cooperation Act in connection with this Agreement, the Parties agree as follows:

a. This Agreement shall be authorized and adopted by resolution of the legislative body of each Party pursuant to and in accordance with the provisions of Utah Code Ann. § 11-13-202.5;

b. This Agreement shall be reviewed as to proper form and compliance with applicable law by a duly authorized attorney on behalf of each Party pursuant to and in accordance with the Utah Code Ann. § 11-13-202.5(3);

c. A duly executed original counterpart of this Agreement shall be filed immediately with the keeper of records of each Party pursuant to Utah Code Ann. § 11-13-209;

d. The Chair of the Agency is hereby designated the administrator for all purposes of the Cooperation Act, pursuant to Utah Code Ann. § 11-13-207;

e. The term of this Agreement shall commence on the Effective Date and shall terminate on the date when all of the Taxing Entity Share has been paid to the Agency as provided for herein, or the date when the Agency ceases to receive such Tax Increment pursuant to Section 1 hereof;

f. Following the execution of this Agreement by both Parties, the Agency, at its sole expense, shall cause a notice regarding this Agreement to be published on behalf of both of the Parties in accordance with Utah Code Ann. § 11-13-219 and on behalf of the Agency in accordance with § 17C-5-205;

g. The Parties agree that they do not, by this Agreement, create an interlocal entity;

h. There is no financial or joint or cooperative undertaking and no budget shall be established or maintained;

i. No real or personal property will be acquired, held or disposed of or used in conjunction with a joint or cooperative undertaking.

7. **Modification and Amendment.** Any modification of or amendment to any provision contained herein shall be effective only if the modification or amendment is in writing and signed by both Parties. Any oral representation or modification concerning this Agreement shall be of no force or effect.

8. **Further Assurance.** Each of the Parties hereto agrees to cooperate in good faith with the other, to execute and deliver such further documents, to adopt any resolutions, to take any other official action, and to perform such other acts as may be reasonably necessary or appropriate to consummate and carry into effect the transactions contemplated under this Agreement.

9. **Governing Law.** This Agreement shall be governed by, and construed and interpreted in accordance with, the laws of the State of Utah.

10. **Interpretation.** The terms "include," "includes," "including" when used herein shall be deemed in each case to be followed by the words "without limitation."

11. **Severability.** If any provision of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction or as a result of future legislative action, and if the rights or obligations of any Party hereto under this Agreement will not be materially and adversely affected thereby,

a. such holding or action shall be strictly construed;

- b. such provision shall be fully severable;
- c. this Agreement shall be construed and enforced as if such provision had never comprised a part hereof;
- d. the remaining provisions of this Agreement shall remain in full force and effect and shall not be affected by the invalid or unenforceable provision or by its severance from this Agreement; and
- e. in lieu of such illegal, invalid, or unenforceable provision, the Parties hereto shall use commercially reasonable efforts to negotiate in good faith a substitute, legal, valid and enforceable provision that most nearly effects the Parties' intent in entering into this Agreement.

12. **Incorporation of Recitals.** The recitals set forth above are hereby incorporated by reference as part of this Agreement.

13. **Incorporation of Exhibits.** The exhibits to this Agreement are hereby incorporated by reference as part of this Agreement.

14. **Effective Date.** This Agreement shall become effective upon the publication of the summary of this Agreement as provided by law.

15. **Entire Agreement.** This Agreement and its exhibits constitute the entire agreement between the Parties hereto pertaining to the subject matter hereof, and the final, complete and exclusive expression of the terms and conditions thereof. All prior agreements, representations, negotiations and understandings of the Parties hereto, oral or written, express or implied, are hereby superseded and merged herein.

16. **Waivers.** No waiver of any breach of any covenant or provision herein contained shall be deemed a waiver of any preceding or succeeding breach thereof or of any other covenant or provision herein contained. No extension of time for performance of any obligation or act shall be deemed an extension of the time for performance of any other obligation or act.

17. **Assignment.** No Party may assign its rights, duties or obligations under this Agreement without the prior written consent first being obtained from all Parties.

18. **Authorization.** Each of the Parties hereto represents and warrants to the other that the warranting Party has taken all steps, including the publication of public notice where necessary, in order to authorize the execution, delivery, and performance of this Agreement by each such Party.

19. **Counterparts.** This Agreement may be executed in duplicate originals, each of which shall be deemed an original.

ENTERED into as of the day and year first above written.

**REDEVELOPMENT AGENCY OF
FARMINGTON CITY**

By: _____
Chair

Attest:

By: _____
Secretary

Attorney Review for the Agency:

The undersigned, as counsel for the Redevelopment Agency of Farmington City, has reviewed the foregoing Interlocal Agreement and finds it to be in proper form and in compliance with applicable state law.

Attorney for Redevelopment Agency
of Farmington City

ADDITIONAL SIGNATURES TO INTERLOCAL AGREEMENT

**WEBER BASIN WATER CONSERVANCY
DISTRICT**

By: Dee Alan Waldron
Dee Alan Waldron
President
Weber Basin Water Conservancy District Board

ATTEST:

Tage L. Flint
Tage L. Flint
General Manager
Weber Basin Water Conservancy District



Attorney Review for the Taxing Entity:

The undersigned, an attorney for the Weber Basin Water Conservancy District, has reviewed the foregoing Interlocal Agreement and finds it to be in proper form and in compliance with applicable state law.

Michael S. Malmborg
Michael S. Malmborg
Attorney for Weber Basin Water Conservancy District

Exhibit “A”

Project Area Plan